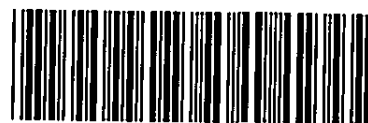


CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2013

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COMPANIES HOUSE

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

COMPANY INFORMATION

DIRECTORS

Mr H A Jenkins
Lord Clark of Windermere
Mr J L Nixon
Mr S Pattison
Mr R Young
Mr N F Steel

COMPANY SECRETARY

Mr J L Nixon

REGISTERED NUMBER

00175280

REGISTERED OFFICE

Brunton Park
Warwick Road
CA1 1LL

INDEPENDENT AUDITORS

Ryecroft Glenton
Chartered Accountants & Statutory Auditor
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

BANKERS

Bank of Scotland
33 Old Broad Street
London
BX2 1LB

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

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CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013

The directors present their report and the financial statements for the year ended 30 June 2013

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of a Professional Football Club

BUSINESS REVIEW

Season 2012/13 has been a very difficult year for the football club both on and off the field. In terms of performance, the team finished 17th in League 1, having dropped nine places from the previous seasons finishing position, and so instead of making a push, as planned, for promotion or play offs, we flirted for some considerable time around the relegation area, and hence there was an equal and direct effect on the business.

Turnover decreased from £4.32m to £3.54m (a reduction of £780,000), and so the operating loss seen in 2011/12 of £124,329, prior to amortisation and depreciation, has increased to a loss of £492,464 for 2012/13. The company is posting a total loss of £666,257 after amortisation and depreciation for the year 2012/13. The above results have led to a decrease in net assets from £3.12m to £2.45m at 30 June 2013.

There was a need to introduce funds from some of the directors during the year to maintain the cash flow and continue the operations.

Some of the key areas of movement year on year are as follows. Match income saw a reduction of £258,000 during this year and this is mainly attributable to the lower gates. We saw an increase of £103,000 in cup income for the season, which was helped by the progression in the League Cup and home draw with Tottenham Hotspur in the third round. Commercial income saw a reduction of £190,000 against the previous year, there were a number of factors in this area which affected income including a poor retail year in the shop, dropping numbers in the match day hospitality areas and a reduction in income generated through our web site. Football League income also reduced by £88,000 which was caused by a reduction in centralised TV income leading to smaller distributions being made to clubs. And finally, we saw our player transfer income drop by £392,000 against the previous years' income, this was due to the fact that we had received income relating to Gary Madine, Richard Keogh and Danny Graham in the previous year relating to sell on clauses which had finished before this financial year.

The first half of the season posed problems around the playing squad due to extended injuries to the main striker and then the full back during the latter stages of the season, this then required cover to be brought in and this has continued into season 2013/14. Despite finding ourselves unable to avoid using loan players, loan costs have held year on year at £71,000.

A cost reduction plan was implemented at the end of 2011/12 but due to results and league position it became apparent that further work was required and therefore, further cuts were implemented in the office, commercial and scouting staff at the mid-season point of 2012/13, with coaching and playing staff reductions planned for the close season in timing with the expiry of contracts.

Work carried out in the first six months of 2013 will allow the business to operate in a break-even situation for 2013/14 with the assumptions that results, crowds and performances remain in line with the second half of 2012/13.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £666,257 (2012 - loss £305,392)

The directors do not recommend the payment of a dividend (2012 - £nil)

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013

DIRECTORS

The directors who served during the year were

Mr H A Jenkins
Lord Clark of Windermere
Mr J L Nixon
Mr S Pattison
Mr R Young
Mr N F Steel

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive risks

The industry continues to be highly uncertain. The company aims to continue to rebuild a strong playing side to compete in League 1 with the ability to push towards the Championship.

Legislative risks

The company is governed by a wide range of legislation and takes great care to keep up to date with all relevant legislation to ensure that it can maintain its business.

Financial risks

At the present time the main financial risk for any company is liquidity risk which is the risk that an entity will encounter difficulty in meeting its financial obligations. The company mitigates liquidity risk by the continual review of its cash management.

EMPLOYEE INVOLVEMENT

The company recognises the importance of good communication with employees and has encouraged the development of employee involvement in the various operating departments. The details of direct involvement processes are different in each operating department and have been developed over the years by management working with their employees in ways that suit their particular needs and environment.

DISABLED EMPLOYEES

The company's policy with regard to the employment of disabled persons is that equal consideration is given to all applications from both able and disabled persons, subject only to the overriding consideration of safety. The special needs of disabled employees for training and advancement are kept under review.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Ryecroft Glenton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013

DIRECTORS' RESPONSIBILITIES STATEMENT

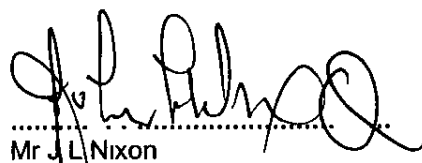
The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

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 (United Kingdom Accounting Standards 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 judgments and accounting estimates that are reasonable and prudent,
- 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.

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



Mr J. L. Nixon
Secretary

Date 18 October 2013

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

INDEPENDENT AUDITORS' REPORT TO CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 6 to 19, together with the financial statements of Carlisle United Association Football Club (1921) Limited for the year ended 30 June 2013 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 6 to 19 have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 18 October 2013 we reported as auditors to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph:

In forming our opinion, 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. At 30 June 2013 the company's net current liabilities exceeded its current assets by £712,054 and the company had a negative profit and loss account reserve balance of £1,005,991.

The validity of the going concern basis is dependent on the assumptions underlying the financial projections being accurate, the financial projections being substantially realised and the company's ability to raise sufficient funding to the extent it may be required.

These conditions indicate the existence of a material uncertainty which 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 was unable to continue as a going concern.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

INDEPENDENT AUDITORS' REPORT TO CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921)
LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

Paul Charlton

Paul Charlton (Senior statutory auditor)

for and on behalf of
Ryecroft Glenton

Chartered Accountants
Statutory Auditor

32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

18 October 2013

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2013**

| | Note | 2013 £ | 2012 £ |
|--|------|--------------------|--------------------|
| TURNOVER | 1 | 3,538,588 | 4,316,035 |
| GROSS PROFIT | | 399,820 | 868,554 |
| Administrative expenses | | (1,056,717) | (1,166,456) |
| OPERATING LOSS | 2 | (656,897) | (297,902) |
| Interest receivable and similar income | | 20 | - |
| Interest payable and similar charges | 4 | (9,380) | (9,653) |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (666,257) | (307,555) |
| Tax on loss on ordinary activities | 5 | - | 2,163 |
| LOSS FOR THE FINANCIAL YEAR | 14 | (666,257) | (305,392) |

All amounts relate to continuing operations

The notes on pages 9 to 19 form part of these financial statements

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2013**

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| LOSS FOR THE FINANCIAL YEAR | (666,257) | (305,392) |
| Unrealised surplus/(deficit) on revaluation of tangible fixed assets | - | (70,810) |
| TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR | (666,257) | (376,202) |

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2013**

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | (666,257) | (307,555) |
| Realisation of valuation gains of previous periods | 9,571 | 42,941 |
| HISTORICAL COST LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | (656,686) | (264,614) |
| HISTORICAL LOSS FOR THE YEAR AFTER TAXATION | (656,686) | (262,451) |


The notes on pages 9 to 19 form part of these financial statements

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED
REGISTERED NUMBER 00175280

ABBREVIATED BALANCE SHEET
AS AT 30 JUNE 2013

| | Note | £ | 2013 £ | £ | 2012 £ |
|--|------|----------------|------------------|----------------|------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 6 | | - | | 18,611 |
| Tangible assets | 7 | | 5,939,247 | | 6,080,786 |
| | | | <u>5,939,247</u> | | <u>6,099,397</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 8 | 36,024 | | 140,607 | |
| Debtors | 9 | 361,161 | | 294,721 | |
| Cash at bank | | 8,113 | | 37,275 | |
| | | <u>405,298</u> | | <u>472,603</u> | |
| CREDITORS: amounts falling due within one year | 10 | (1,117,352) | | (1,427,033) | |
| NET CURRENT LIABILITIES | | | (712,054) | | (954,430) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>5,227,193</u> | | <u>5,144,967</u> |
| CREDITORS: amounts falling due after more than one year | 11 | | (1,959,022) | | (1,183,960) |
| ACCRUALS AND DEFERRED INCOME | 12 | | (816,779) | | (843,358) |
| NET ASSETS | | | <u>2,451,392</u> | | <u>3,117,649</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 13 | | 144,891 | | 144,891 |
| Revaluation reserve | 14 | | 3,312,492 | | 3,322,063 |
| Profit and loss account | 14 | | (1,005,991) | | (349,305) |
| SHAREHOLDERS' FUNDS | 15 | | <u>2,451,392</u> | | <u>3,117,649</u> |

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf by



.....
Mr H A Jenkins
Director

Date 18 October 2013

The notes on pages 9 to 19 form part of these financial statements

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards

1.2 Going concern

In accordance with their responsibilities the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements

The company made a loss in the year to 30 June 2013 and has net current liabilities at that date. In order to continue in operational existence as a going concern, and to meet its liabilities as they fall due, the company is dependent on continued support from its directors, major creditors, and the continuation of its overdraft and lending facilities

The projections prepared by the directors indicate that the company will continue to operate within its means for at least twelve months from the date of signing of these financial statements. However, profitability is dependent on a number of factors both within and out of the company's control, but the principal factor is the success of the team. The directors continue to seek to increase the income of the company whilst controlling costs

Accordingly, the directors consider it appropriate to prepare these financial statements on a going concern basis. Should, however the going concern basis no longer be appropriate then adjustments may have to be made to reduce the value of assets to their realisable amounts, provide for any further liabilities which might arise and to reclassify all fixed and long term liabilities as current assets and current liabilities respectively

1.3 Turnover

Turnover comprises net gate and ticket receipts, television and sponsorship revenue, shop, programmes, receipts from the Football League and Premier League and other commercial and miscellaneous income exclusive of Value Added Tax. Season ticket and sponsorship income received prior to the year end in respect of the following football season is treated as deferred income

1.4 Player/manager registrations and amortisation

Player/manager registration fees are initially recorded at cost

Amortisation is calculated so as to write off the asset, less its estimated residual value, over the useful economic life of the asset as follows

Amortisation is provided at the following rates

Player/manager registrations - straight line over the period of the contract

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|--|---|----------------------------|
| Freehold property | - | 2% per annum |
| Furniture, fittings and ground equipment | - | 33%, 25% and 10% per annum |
| Motor vehicles | - | 25% per annum |

1.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value represents estimated selling price less costs to sell. Due allowance is made for obsolete, damaged and slow-moving stock where the net realisable value is less than cost.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

1. ACCOUNTING POLICIES (continued)

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.10 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.12 Players' transfer fees

Fees receivable from other football clubs on the transfer of players' registrations together with associated costs, are recognised within the profit and loss account in the accounting period in which the transfer of the players' registration took place. Further fees receivable under the appearance and sell on clauses are recognised within the profit and loss account in the accounting period in which the appearance or sell on clause criteria is met

1.13 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2013

2 OPERATING LOSS

The operating loss is stated after charging

| | 2013 £ | 2012 £ |
|---|-------------------|-------------------|
| Amortisation - player registrations | 13,060 | 18,631 |
| Depreciation of tangible fixed assets | | |
| - owned by the company | 143,335 | 141,342 |
| - held under finance leases and hire purchase contracts | 8,038 | 13,600 |
| Loss on disposal of player registration | 13,050 | - |
| Auditors' remuneration | 18,128 | 17,754 |
| | <u> </u> | <u> </u> |

During the year, no director received any emoluments (2012 - £NIL)

3. STAFF COSTS

Staff costs were as follows

| | 2013 £ | 2012 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,503,019 | 2,818,516 |
| Social security costs | 249,941 | 296,083 |
| Other pension costs | 11,889 | 4,182 |
| | <u>2,764,849</u> | <u>3,118,781</u> |

The average monthly number of employees, including the directors, during the year was as follows

| | 2013 No. | 2012 No. |
|--------------------------------|-------------|-------------|
| Number of administrative staff | 219 | 239 |
| Number of football staff | 47 | 43 |
| | <u>266</u> | <u>282</u> |

4. INTEREST PAYABLE

| | 2013 £ | 2012 £ |
|---|--------------|--------------|
| On bank loans and overdrafts | 7,219 | 4,711 |
| On finance leases and hire purchase contracts | 2,161 | 3,902 |
| Other interest payable | - | 1,040 |
| | <u>9,380</u> | <u>9,653</u> |

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

5 TAXATION

| | 2013 £ | 2012 £ |
|---|-----------|----------------|
| Adjustments in respect of prior periods | - | (2,163) |
| Tax on loss on ordinary activities | - | (2,163) |

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - *higher than*) the standard rate of corporation tax in the UK of 20% (2012 - 20%) The differences are explained below

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Loss on ordinary activities before tax | (666,257) | (307,555) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%) | (133,251) | (61,511) |
| Effects of: | | |
| Items not allowable for tax purposes, other than goodwill amortisation and impairment | 321 | (2,087) |
| Depreciation in excess of capital allowances for year | 23,161 | 17,368 |
| Grants released not taxable | (5,316) | (5,316) |
| Adjustments to tax charge in respect of prior periods | - | (2,163) |
| Tax losses carried back | - | 1,893 |
| Tax losses carried forward | 115,085 | 49,653 |
| Current tax charge/(credit) for the year (see note above) | - | (2,163) |

Factors that may affect future tax charges

At 30 June 2013 the company had estimated tax losses of £1,176,495 (2012 - £588,486) available to carry forward against future taxable profits

Gains and losses on the revaluation of freehold property only crystallise for corporation tax purposes once the revalued asset has been sold

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

6 INTANGIBLE FIXED ASSETS

| | Players' registrations £ |
|-----------------------|--------------------------------|
| Cost | |
| At 1 July 2012 | 45,000 |
| Additions | 15,000 |
| Disposals | (60,000) |
| At 30 June 2013 | - |
| Amortisation | |
| At 1 July 2012 | 26,389 |
| Charge for the year | 13,060 |
| On disposals | (39,449) |
| At 30 June 2013 | - |
| Net book value | |
| At 30 June 2013 | - |
| At 30 June 2012 | 18,611 |

7. TANGIBLE FIXED ASSETS

| | Freehold property £ | Plant & machinery £ | Motor vehicles £ | Total £ |
|--------------------------|---------------------------|---------------------------|------------------------|------------|
| Cost or valuation | | | | |
| At 1 July 2012 | 5,957,500 | 1,114,179 | 51,955 | 7,123,634 |
| Additions | - | 9,834 | - | 9,834 |
| Disposals | - | (909,481) | (16,750) | (926,231) |
| At 30 June 2013 | 5,957,500 | 214,532 | 35,205 | 6,207,237 |
| Depreciation | | | | |
| At 1 July 2012 | - | 1,015,006 | 27,842 | 1,042,848 |
| Charge for the year | 119,031 | 24,304 | 8,038 | 151,373 |
| On disposals | - | (909,481) | (16,750) | (926,231) |
| At 30 June 2013 | 119,031 | 129,829 | 19,130 | 267,990 |
| Net book value | | | | |
| At 30 June 2013 | 5,838,469 | 84,703 | 16,075 | 5,939,247 |
| At 30 June 2012 | 5,957,500 | 99,173 | 24,113 | 6,080,786 |

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

7. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

| | 2013 £ | 2012 £ |
|----------------|---------------|---------------|
| Motor vehicles | <u>16,075</u> | <u>24,113</u> |

Included in land and buildings is freehold land at valuation of £6,000 (2012 - £6,000) which is not depreciated. This land has an original cost of £6,000 (2012 - £6,000)

In accordance with FRS 15 Tangible Fixed Assets and in the opinion of the directors, all freehold property and land is held at net book value, following a full valuation of £5,957,500 carried out by H & H Land and Property Ltd, external valuers and members of The Institute of Chartered Surveyors as at 30 June 2012. The basis of the revaluation was depreciated replacement cost for the football stadium and open market value for residential property and club shop.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

| | 2013 £ | 2012 £ |
|--------------------------|--------------------|--------------------|
| Cost | 4,132,130 | 4,132,130 |
| Accumulated depreciation | <u>(1,606,152)</u> | <u>(1,496,693)</u> |
| Net book value | <u>2,525,978</u> | <u>2,635,437</u> |

8 STOCKS

| | 2013 £ | 2012 £ |
|------------------|---------------|----------------|
| Goods for resale | <u>36,024</u> | <u>140,607</u> |

9. DEBTORS

| | 2013 £ | 2012 £ |
|-------------------------------------|----------------|----------------|
| Due after more than one year | | |
| Trade debtors | 79,125 | - |
| Other debtors | 55,000 | 55,000 |
| Due within one year | | |
| Trade debtors | 187,942 | 164,555 |
| Other debtors | 13,816 | 11,764 |
| Prepayments and accrued income | 25,278 | 63,402 |
| | <u>361,161</u> | <u>294,721</u> |

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

10. CREDITORS:**Amounts falling due within one year**

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Bank loans and overdrafts | 144,706 | 49,837 |
| Net obligations under finance leases and hire purchase contracts | 5,651 | 5,646 |
| Trade creditors | 271,572 | 363,592 |
| Other taxation and social security | 121,277 | 189,844 |
| Other creditors | 280,044 | 501,257 |
| Accruals and deferred income | 294,102 | 316,857 |
| | <u>1,117,352</u> | <u>1,427,033</u> |

The bank loan is secured by a first legal charge on 269 Warwick Road, Carlisle

The hire purchase agreements outstanding are secured against the assets which are being purchased by the agreement

11. CREDITORS:**Amounts falling due after more than one year**

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Bank loans | 166,455 | 58,493 |
| Loan from Story Construction Limited | 1,100,250 | 1,100,250 |
| Net obligations under finance leases and hire purchase contracts | 19,567 | 25,217 |
| Other creditors | 672,750 | - |
| | <u>1,959,022</u> | <u>1,183,960</u> |

Included within the above are amounts falling due as follows

| | 2013 £ | 2012 £ |
|-----------------------------------|------------------|------------------|
| Between one and two years | | |
| Bank loans | <u>13,106</u> | <u>12,908</u> |
| Between two and five years | | |
| Bank loans | <u>33,374</u> | <u>38,724</u> |
| Over five years | | |
| Bank loans | 119,976 | 6,862 |
| Other loans | <u>1,100,250</u> | <u>1,100,250</u> |

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

11. CREDITORS:**Amounts falling due after more than one year (continued)**

Creditors include amounts not wholly repayable within 5 years as follows

| | 2013 £ | 2012 £ |
|-------------------------------------|------------------|------------------|
| Repayable by instalments | 119,976 | 6,862 |
| Repayable other than by instalments | 1,100,250 | 1,100,250 |
| | <u>1,220,226</u> | <u>1,107,112</u> |

The loan from Story Construction Limited is secured by a fixed and floating charge over the company's assets. The loan from Story Construction Limited is interest free with no fixed repayment date.

The first bank loan is repayable in monthly instalments up to 25 September 2017 and interest is charged at 1.5% above the bank's base rate.

The second bank loan is an interest only arrangement to 31 January 2023, interest is charged at 0.49% above the bank's base rate and is payable in monthly instalments.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

| | 2013 £ | 2012 £ |
|----------------------------|---------------|---------------|
| Between one and five years | <u>19,567</u> | <u>25,217</u> |

The loan from Story Construction Limited is secured by a fixed and floating charge over the company's assets.

The first bank loan is secured by a first legal charge on 269 Warwick Road, Carlisle.

The second bank loan is secured by a first legal charge on 257 Warwick Road, Carlisle.

The hire purchase agreements outstanding are secured against the assets which are being purchased by the agreement.

12 ACCRUALS AND DEFERRED INCOME

| | 2013 £ | 2012 £ |
|--------|----------------|----------------|
| Grants | <u>816,779</u> | <u>843,358</u> |

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2013**

13. SHARE CAPITAL

| | 2013 £ | 2012 £ |
|---|----------------|----------------|
| Allotted, called up and fully paid | | |
| 144,891 Ordinary shares of £1 each | <u>144,891</u> | <u>144,891</u> |

14. RESERVES

| | Revaluation reserve £ | Profit and loss account £ |
|--|-----------------------------|---------------------------------|
| At 1 July 2012 | 3,322,063 | (349,305) |
| Loss for the financial year | | (666,257) |
| Transfer between revaluation reserve and profit and loss account | (9,571) | 9,571 |
| At 30 June 2013 | <u>3,312,492</u> | <u>(1,005,991)</u> |

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | 2013 £ | 2012 £ |
|---|------------------|------------------|
| Opening shareholders' funds | 3,117,649 | 3,493,851 |
| Loss for the financial year | (666,257) | (305,392) |
| Other recognised gains and losses during the year | - | (70,810) |
| Closing shareholders' funds | <u>2,451,392</u> | <u>3,117,649</u> |

16. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company by the Football League. The pension cost charge represents contributions payable by the company to the fund and amounted to £16,211 (2012 - £4,182). An amount of £1,545 (2012 - £2,695) is included in other creditors at the year end and is to be paid to the Football League.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2013

17. RELATED PARTY TRANSACTIONS

Mr H A Jenkins is also a director of P F D (Carlisle) Limited. During the year the club charged P F D (Carlisle) Limited £20,000 (2012 - £20,000) for the match day catering contract and £12,279 (2012 - £13,141) for advertising and sponsorship. At 30 June 2013 P F D (Carlisle) Limited owed the club £19,391 (2012 - £9,074).

The club also purchased goods to the value of £6,406 (2012 - £5,352) from P F D (Carlisle) Limited during the year. At 30 June 2013 the club owed P F D (Carlisle) Limited £2,146 (2012 - £1,035).

Included in other creditors is a loan from P F D (Carlisle) Limited of £672,750 (2012 - £244,750). No interest was charged on this loan.

At the year end the club owed Mr H A Jenkins £245,000 (2012 - £240,000). No interest was charged on this loan.

Mr J L Nixon is also a director of Cowens Limited. During the year the club paid for goods to the value of £nil (2012 - £337) from Cowens Limited. At 30 June 2013 the club owed Cowens Limited £nil (2012 - £nil).

During the period Mr J L Nixon loaned the club £20,000 (2012 - £nil). At 30 June 2013 the club owed Mr J L Nixon £20,000 (2012 - £nil). No interest was charged on this loan.

During the period Lord Clark of Windermere loaned the club £10,000 (2012 - £nil). At 30 June 2013 the club owed Lord Clark of Windermere £10,000 (2012 - £nil). No interest was charged on this loan.

Mr S Pattison is also a director of Carlisle Glass Limited. During the year the club charged Carlisle Glass Limited £2,603 (2012 - £2,717) for advertising and sponsorship. At 30 June 2012 Carlisle Glass Limited owed the club £nil (2012 - £3,261).

The club also purchased goods to the value of £302 (2012 - £5,919) from Carlisle Glass Limited. At 30 June 2013 the club owed Carlisle Glass Limited £4,320 (2012 - £9,829).

All sponsorship and advertising supplied to and purchases made from the related parties are at the normal commercial rate.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At 30 June 2013 and 30 June 2012 the ultimate parent company was C U F C Holdings Limited, a company incorporated in England and Wales.

The ultimate controlling parties of C U F C Holdings Limited at 30 June 2013 and 30 June 2012 were Mr H A Jenkins, Mr J L Nixon, Mr S Pattison and Carlisle and Cumbria United Independent Supporters Society Limited.