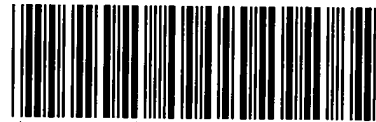


**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

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COMPANIES HOUSE

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# **CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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## **COMPANY INFORMATION**

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### **DIRECTORS**

Mr H A Jenkins  
Lord Clark of Windermere  
Mr J L Nixon  
Mr S Pattison  
Mr R Young  
Mr N F Steel  
Ms S C Kidd (appointed 7 August 2015)  
Mr P P King (appointed 7 August 2015)  
Ms C Winder (appointed 18 September 2015)

### **COMPANY SECRETARY**

Mr J L Nixon

### **REGISTERED NUMBER**

00175280

### **REGISTERED OFFICE**

Brunton Park  
Warwick Road  
Carlisle  
Cumbria  
CA1 1LL

### **INDEPENDENT AUDITORS**

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

### **BANKERS**

Bank of Scotland  
33 Old Broad Street  
London  
BX2 1LB

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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## **CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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The directors present their report and the audited financial statements for the year ended 30 June 2015.

#### **PRINCIPAL ACTIVITIES**

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

#### **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

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic report, 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.

#### **DIVIDENDS**

The directors do not recommend the payment of a dividend (2014 - £nil).

#### **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.

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## **CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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#### **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, including employees who become disabled, are kept under review.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

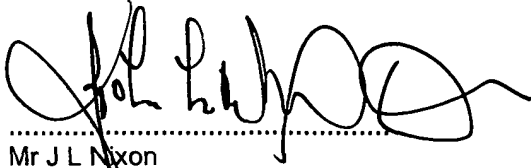
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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.

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

  
.....  
Mr J L Nixon  
Secretary

Date: 5 November 2015

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## **CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2015**

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#### **INTRODUCTION**

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

#### **BUSINESS REVIEW**

Season 2014/2015 had many facets as we commenced our first season in League 2 after 9 years in League 1.

There were significant changes in the close season to the playing squad with a view to having a competitive team to challenge for promotion and an immediate return to League 1. Sadly this did not come to fruition and on 1st September, two months into the season we were forced to dispense with the services of the existing manager as we became adrift at the bottom of the league table. The appointment of a new manager, with coaching and scouting staff, was made with the objective of keeping Carlisle United FC in League 2 and improving the league position and the squad. This was achieved and we ended the season in 20th position in the league table, and the task of rebuilding of the squad continued throughout the summer of 2015.

Off the field, the directors had been progressing work started in 2013/14 to introduce new funding and new blood into the management of the club, with the aim of securing its long term future. Most of the past twelve months were mainly spent in discussion with one party which eventually proved to not be the correct course of action for Carlisle United FC, for reasons which were published on the club website on 17th July 2015. Discussions are still ongoing with potential investors, both local and overseas, to achieve the same aim of securing the long term future of the club. CUOSC (Carlisle United Official Supporters Club) will be brought into discussions as they develop, as potential investment could have an effect on share structures, primarily within the Holding Company.

On the financial side of the operation the very generous 'write off' of the Story loan (£1.1m) had a significant impact on the profit and loss account of Carlisle United AFC (1921) Limited which shows a profit before taxation of £432,490 but this headline figure covers a trading loss of £655,596. Income fell from £3.55m to £3.06m with the main areas of reduction being Football League and Premier League central income (£362k), Commercial income (£43k) and player transfer income (£55k). The clubs kit supplier was changed at the start of the season and initially there were difficulties with deliveries and some quality issues. Although ultimately the retail operation remained stable, stock flow and cash flows were very much affected. Pleasingly, the problems of last year appear to have been resolved prior to the 2015/16 season.

Following the year end, a planned restructuring within the club commenced with the appointment of a Sales and Marketing Director and a Finance Director. These two positions will head up the daily operations within the club and may be supplemented in the future by another senior director, but any appointment is likely to follow the investment and restructuring of CUFC Holdings Limited. The operations team have introduced the new Family Zone in the Pioneer Foods Stand and have worked on links with the supporter groups in the early part of their tenure.

The directors of Carlisle United AFC (1921) Limited remain fully committed to ensuring a long term future for the club and for football to be played at the highest level possible in Carlisle. They will continue in their quest to have the best or improved facilities for fans and club alike and they will strive to introduce new funds and directors who will maintain the ethos of the club.

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## CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

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### STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2015

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#### PRINCIPAL RISKS AND UNCERTAINTIES

##### Competitive risks

The industry continues to be highly uncertain. The company aims to rebuild a strong playing side to compete in League 2 with the ability to gain promotion back to League 1.

##### 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

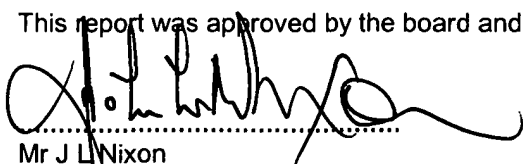
At the present time the main financial risk for any company is liquidity risk which is the risk that an entity will encounter difficulty in meeting its financial obligations. The company mitigates liquidity risk by the continual review of its cash management.

#### FINANCIAL KEY PERFORMANCE INDICATORS

Season 2013/14 had losses of £234,519 before amortisation and depreciation and £369,440 total loss, with a reduction in net assets to £2.08m.

In the last twelve months of trading the loss has increased to £524,389 before amortisation and depreciation and £667,760 total loss before exceptional items and taxation. Net assets are now at £3.56m following the Story Homes Limited loan write off and the revaluation of freehold property in the period.

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

  
.....  
Mr J L Nixon  
Secretary

Date: 5 November 2015

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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

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We have examined the abbreviated accounts set out on pages 7 to 21, together with the financial statements of Carlisle United Association Football Club (1921) Limited for the year ended 30 June 2015 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 7 to 21 have been properly prepared in accordance with the regulations made under that section.

**OTHER INFORMATION**

On 21 March 2016 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, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's ability to continue as a going concern. At 30 June 2015 the company's net current liabilities exceeded its current assets by £752,694 and the company had a negative profit and loss account reserve balance of £1,017,603.

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.



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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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

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Paul Charlton (Senior statutory auditor)

for and on behalf of  
**Ryecroft Glenton**

Chartered Accountants  
Statutory Auditors

32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

21 March 2016

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2015**

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	Note	2015 £	2014 £
<b>TURNOVER</b>	1	<b>3,063,515</b>	<b>3,546,799</b>
<b>GROSS PROFIT</b>		<b>455,324</b>	<b>717,324</b>
Administrative expenses		<b>(1,110,920)</b>	<b>(1,074,562)</b>
<b>OPERATING LOSS</b>	2	<b>(655,596)</b>	<b>(357,238)</b>
<b>EXCEPTIONAL ITEMS</b>			
Other exceptional items	5	<b>1,100,250</b>	-
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>444,654</b>	<b>(357,238)</b>
Interest receivable and similar income		<b>22</b>	<b>5</b>
Interest payable and similar charges	4	<b>(12,186)</b>	<b>(12,207)</b>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>432,490</b>	<b>(369,440)</b>
Tax on profit/(loss) on ordinary activities	6	<b>(93,804)</b>	-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	15	<b>338,686</b>	<b>(369,440)</b>

All amounts relate to continuing operations.

The notes on pages 10 to 21 form part of these financial statements.

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 JUNE 2015**

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	2015 £	2014 £
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	<b>338,686</b>	<b>(369,440)</b>
Unrealised surplus on revaluation of tangible fixed assets	<u>1,143,887</u>	<u>-</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b><u>1,482,573</u></b>	<b><u>(369,440)</u></b>

---

**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 30 JUNE 2015**

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	2015 £	2014 £
<b>REPORTED PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>432,490</b>	<b>(369,440)</b>
Realisation of valuation gains of previous periods	<u>9,571</u>	<u>9,571</u>
<b>HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b><u>442,061</u></b>	<b><u>(359,869)</u></b>
<b>HISTORICAL PROFIT/(LOSS) FOR THE YEAR AFTER TAXATION</b>	<b><u>348,257</u></b>	<b><u>(359,869)</u></b>

The notes on pages 10 to 21 form part of these financial statements.

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

**ABBREVIATED BALANCE SHEET**  
**AS AT 30 JUNE 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Intangible assets	7		13,333		10,279
Tangible assets	8		6,907,038		5,807,543
			<u>6,920,371</u>		<u>5,817,822</u>
<b>CURRENT ASSETS</b>					
Stocks	9	20,266		44,759	
Debtors	10	276,788		465,600	
Cash at bank		23,867		3,879	
		<u>320,921</u>		<u>514,238</u>	
<b>CREDITORS:</b> amounts falling due within one year	11	(1,073,615)		(1,001,931)	
<b>NET CURRENT LIABILITIES</b>			<u>(752,694)</u>		<u>(487,693)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>6,167,677</u>		<u>5,330,129</u>
<b>CREDITORS:</b> amounts falling due after more than one year	12		(1,839,529)		(2,457,976)
<b>ACCRUALS AND DEFERRED INCOME</b>	13		(763,623)		(790,201)
<b>NET ASSETS</b>			<u><u>3,564,525</u></u>		<u><u>2,081,952</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		144,891		144,891
Revaluation reserve	15		4,437,237		3,302,921
Profit and loss account	15		(1,017,603)		(1,365,860)
<b>SHAREHOLDERS' FUNDS</b>	16		<u><u>3,564,525</u></u>		<u><u>2,081,952</u></u>

The abbreviated accounts, which have been prepared in accordance with the 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: 5 November 2015

The notes on pages 10 to 21 form part of these financial statements.

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**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 before exceptional items in the year to 30 June 2015 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 registrations and amortisation**

Player 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 registrations	-	straight line over the period of the contract
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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**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 straight line
Furniture, fittings and ground equipment	-	33%, 25% and 10% per annum straight line
Motor vehicles	-	25% per annum straight line

**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 2015**

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**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.

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**2. OPERATING LOSS**

The operating loss is stated after charging:

	2015 £	2014 £
Amortisation - player registrations	16,946	9,721
Depreciation of tangible fixed assets:		
- owned by the company	144,839	147,759
- held under finance leases and hire purchase contracts	8,164	4,019
Auditors' remuneration	23,000	17,000
	<u>23,000</u>	<u>17,000</u>

During the year, no director received any emoluments (2014 - £NIL).

**3. STAFF COSTS**

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,198,835	2,280,492
Social security costs	195,948	220,859
Other pension costs	7,186	3,622
	<u>2,401,969</u>	<u>2,504,973</u>

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

	2015 No.	2014 No.
Number of administrative staff	193	208
Number of football staff	52	48
	<u>245</u>	<u>256</u>

**4. INTEREST PAYABLE**

	2015 £	2014 £
On bank loans and overdrafts	10,524	10,832
On finance leases and hire purchase contracts	1,662	1,375
	<u>12,186</u>	<u>12,207</u>



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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**5. EXCEPTIONAL ITEMS**

	2015 £	2014 £
Loan written off by Story Homes Limited	1,100,250	-

During the period the directors of Story Homes Limited met and formally agreed to write off the balance due to the company from Carlisle United Association Football Club (1921) Limited. The exceptional item is treated as a non-trade loan relationship credit for taxation purposes and is therefore taxable at the standard UK rate of Corporation Tax.

**6. TAXATION**

	2015 £	2014 £
UK corporation tax charge based on results for the year	93,804	-

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - *higher than*) the standard rate of corporation tax in the UK of 20.75% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit/loss on ordinary activities before tax	432,490	(369,440)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 20%)	89,742	(73,888)
<b>Effects of:</b>		
Items not allowable for tax purposes, other than goodwill amortisation and impairment	2,468	1,245
Depreciation in excess of capital allowances for year	9,087	20,002
Grants released not taxable	(5,544)	(5,316)
Marginal relief	(1,949)	-
Tax losses carried forward	-	57,957
<b>Current tax charge for the year (see note above)</b>	<b>93,804</b>	<b>-</b>

**Factors that may affect future tax charges**

At 30 June 2015 the company had estimated tax losses of £1,422,456 (2014 - £1,466,280) available to carry forward against future taxable trading 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 2015**

**7. INTANGIBLE FIXED ASSETS**

	Players' registrations £
<b>Cost</b>	
At 1 July 2014	20,000
Additions	20,000
Disposals	(20,000)
At 30 June 2015	20,000
<b>Amortisation</b>	
At 1 July 2014	9,721
Charge for the year	16,946
On disposals	(20,000)
At 30 June 2015	6,667
<b>Net book value</b>	
At 30 June 2015	13,333
At 30 June 2014	10,279

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant & machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 July 2014	5,957,500	244,413	2,250	6,204,163
Additions	-	79,515	29,095	108,610
Disposals	-	(106,770)	-	(106,770)
Revaluation surplus/(deficit)	786,795	-	-	786,795
At 30 June 2015	6,744,295	217,158	31,345	6,992,798
<b>Depreciation</b>				
At 1 July 2014	238,062	157,995	563	396,620
Charge for the year	119,030	27,412	6,561	153,003
On disposals	-	(106,771)	-	(106,771)
On revalued assets	(357,092)	-	-	(357,092)
At 30 June 2015	-	78,636	7,124	85,760
<b>Net book value</b>				
At 30 June 2015	6,744,295	138,522	24,221	6,907,038
At 30 June 2014	5,719,438	86,418	1,687	5,807,543

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**8. TANGIBLE FIXED ASSETS (continued)**

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

	2015 £	2014 £
Plant and machinery	19,485	-
Motor vehicles	23,096	-
	<u>42,581</u>	<u>-</u>

Included in land and buildings is freehold land at valuation of £6,000 (2014 - £6,000) which is not depreciated. This land has an original cost of £6,000 (2014 - £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 £6,744,295 carried out by Robson & Liddle (Rural) Limited, external valuers and members of The Institute of Chartered Surveyors as at 30 June 2015. The basis of the revaluation was depreciated replacement cost for the football stadium and open market value for residential property and the 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:

	2015 £	2014 £
Cost	4,132,130	4,132,130
Accumulated depreciation	(1,825,072)	(1,715,611)
	<u>2,307,058</u>	<u>2,416,519</u>

**9. STOCKS**

	2015 £	2014 £
Goods for resale	<u>20,266</u>	<u>44,759</u>

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**10. DEBTORS**

	2015 £	2014 £
<b>Due after more than one year</b>		
Other debtors	55,000	55,000
<b>Due within one year</b>		
Trade debtors	193,540	372,835
Other debtors	13,038	14,491
Prepayments and accrued income	15,210	23,274
	<u>276,788</u>	<u>465,600</u>

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

	2015 £	2014 £
Bank loans and overdrafts	153,250	118,343
Net obligations under finance leases and hire purchase contracts	12,473	-
Trade creditors	230,133	205,271
Corporation tax	93,804	-
Other taxation and social security	112,712	152,158
Other creditors	140,965	143,283
Accruals and deferred income	330,278	382,876
	<u>1,073,615</u>	<u>1,001,931</u>

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

The hire purchase agreements were secured against the assets which were being purchased by the agreements.

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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

	2015 £	2014 £
Bank loans	138,162	151,976
Loan from Story Homes Limited	-	1,100,250
Net obligations under finance leases and hire purchase contracts	30,617	-
Other creditors	1,670,750	1,205,750
	<u>1,839,529</u>	<u>2,457,976</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
<b>Between one and two years</b>		
Bank loans	13,803	13,852
	<u>13,803</u>	<u>13,852</u>
<b>Between two and five years</b>		
Bank loans	4,386	18,151
	<u>4,386</u>	<u>18,151</u>
<b>Over five years</b>		
Bank loans	119,973	119,973
Other loans	-	1,100,250
	<u>119,973</u>	<u>1,100,250</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	119,973	119,973
Repayable other than by instalments	-	1,100,250
	<u>119,973</u>	<u>1,220,223</u>

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.

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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

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

	2015 £	2014 £
Between one and five years	<u>30,617</u>	<u>-</u>

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 were secured against the assets which were being purchased by the agreements.

**13. ACCRUALS AND DEFERRED INCOME**

	2015 £	2014 £
Grants	<u>763,623</u>	<u>790,201</u>

**14. SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
144,891 Ordinary shares of £1 each	<u>144,891</u>	<u>144,891</u>

**15. RESERVES**

	Revaluation reserve £	Profit and loss account £
At 1 July 2014	3,302,921	(1,365,860)
Profit for the financial year		338,686
Surplus on revaluation of freehold property	1,143,887	
Transfer between revaluation reserve and profit and loss account	(9,571)	9,571
At 30 June 2015	<u>4,437,237</u>	<u>(1,017,603)</u>

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**CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Opening shareholders' funds	2,081,952	2,451,392
Profit/(loss) for the financial year	338,686	(369,440)
Other recognised gains and losses during the year	1,143,887	-
Closing shareholders' funds	<u>3,564,525</u>	<u>2,081,952</u>

**17. 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 £11,179 (2014 - £7,978). An amount of £855 (2014 - £1,068) is included in other creditors at the year end and is to be paid to the Football League.

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## **CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**

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### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015**

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#### **18. 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 £nil (2014 - £20,000) for the match day catering contract, £50,000 (2014 - £50,000) for stand sponsorship and £7,365 (2014 - £8,607) for other advertising and sponsorship. At 30 June 2015 P.F.D. (Carlisle) Limited owed the club £nil (2014 - £21,901).

The club also purchased goods to the value of £9,474 (2014 - £4,132) from P.F.D. (Carlisle) Limited during the year. At 30 June 2015 the club owed P.F.D. (Carlisle) Limited £582 (2014 - £5,832).

Included in other creditors is a loan from P.F.D. (Carlisle) Limited of £800,750 (2014 - £820,750). No interest was charged on this loan.

At the year end the club owed Mr H A Jenkins £980,000 (2014 - £495,000). 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 (2014 - £1,680). At 30 June 2015 the club owed Cowens Limited £nil (2014 - £nil).

At the year end the club owed Mr J L Nixon £20,000 (2014 - £20,000). No interest was charged on this loan.

At the year end the club owed Lord Clark of Windermere £10,000 (2014 - £10,000). 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 £4,442 (2014 - £3,641) for advertising and sponsorship. At 30 June 2015 Carlisle Glass Limited owed the club £4,474 (2014 - £nil).

The club also purchased goods to the value of £2,622 (2014 - £191) from Carlisle Glass Limited, at 30 June 2015 the Club owed Carlisle Glass Limited £5,041 (2014 - £2,237).

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

#### **19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

At 30 June 2015 and 30 June 2014 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 2015 and 30 June 2014 were Mr H A Jenkins, Mr J L Nixon, Mr S Pattison and Carlisle and Cumbria United Independent Supporters' Society Limited.