

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

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THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

COMPANY INFORMATION

Directors	P Caddick P G Hirst G Hetherington C J Ross S Callingham R B Oates
Secretary	P G Hirst
Company number	00028301
Registered office	Headingley St Michaels Lane Leeds Yorkshire LS6 3BR
Auditors	PKF (UK) LLP Pannell House 6 Queen Street Leeds LS1 2TW
Bankers	Co-operative Bank plc Pennine House Russell Street Park Row Leeds LS1 5RN

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

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THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and the financial statements for the year ended 31 December 2006

Principal activities

The principal activity of the company during the year was the staging of professional Rugby League Football

Business review

As reported last year the 2006 playing season was below expectations having lost in the Challenge Cup final and suffering an early exit in the Super League play offs

Although corporate demand for hospitality continued to be at record levels retail sales did not maintain the hitherto year on year volume increase, a number of factors influencing this

The current year however has brought great achievement with a victory in the Grand Final over St Helens The Junior Academy also carried off the trophy with the Senior Academy finishing runners-up

Although 2006 was relatively disappointing the directors are pleased with the current years results and look forward to the future with confidence

Results and dividends

The loss for the year, after taxation, amounted to £210,641 (2005 - Profit £7,423,775)

The directors recommend a preference dividend of £5,005 which has been accrued

Directors

The directors who served during the year were

P Caddick
P G Hirst
G Hetherington
C J Ross
S Callingham
R B Oates (appointed 14 February 2006)

No director holds any interest in shares in the company

Mr P Caddick and his family held a non-beneficial interest of 49,500 ordinary shares and 16,500 "C" shares and a beneficial interest of 500 shares in Caddick Group plc, the ultimate parent company, at the beginning and at the end of the year

Charitable contributions

During the year, the company donated £100,000 to Leeds Rugby Foundation, a registered charity

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price or liquidity risk.

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006**

Payment policy and practice

At the year end trade creditors shown in the balance sheet represents 50 days worth of supplies invoiced during the year (2005 60 days)

No fixed company policy exists Creditors are paid in accordance with individual terms agreed separately with each creditor

Employee involvement and employment of disabled persons

Monthly meetings are held with employee representatives to discuss sales, financial position and prospects Opportunity is given at these meetings for senior executives to be questioned about matters which concern employees

The company has continued the policy regarding the employment of disabled persons Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities

Provision of information to auditors

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

This report was approved by the board on 29 October 2007 and signed on its behalf



P G Hirst
Secretary

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2006

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 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 proper accounting records that 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 1985. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

We have audited the financial statements of The Leeds Cricket, Football & Athletic Company Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

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

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

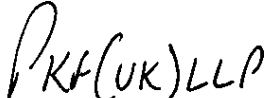
THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



PKF (UK) LLP

Registered auditors

Leeds, UK

29 October 2007

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	2006 £	2005 £
TURNOVER	1,2		
Continuing operations		9,692,280	10,726,698
Discontinued operations		-	237,189
		9,692,280	10,963,887
Change in stocks of finished goods and work in progress		(7,677)	67,430
Other operating income	3	15,053	26,080
Other external charges		(4,698,076)	(5,115,783)
Staff costs		(4,708,805)	(4,985,827)
Depreciation and amortisation		(469,119)	(389,888)
OPERATING (LOSS)/PROFIT	5		
Continuing operations		(176,344)	371,588
Discontinued operations		-	194,311
		(176,344)	565,899
TOTAL OPERATING (LOSS)/PROFIT		(176,344)	565,899
EXCEPTIONAL ITEMS			
Net profit on sale of tangible fixed assets	10	-	7,203,122
		(176,344)	7,769,021
Interest receivable		171,025	25,434
Interest payable	9	(188,356)	(235,161)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(193,675)	7,559,294
Tax on (loss)/profit on ordinary activities	11	(16,966)	(135,519)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	22	(210,641)	7,423,775

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account

The notes on pages 9 to 21 form part of these financial statements

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	£	£
REPORTED (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(193,675)	7,559,294
Realisation of valuation gains of previous periods	-	838,324
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	49,902	56,241
HISTORICAL COST (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(143,773)	8,453,859
HISTORICAL (LOSS)/PROFIT FOR THE YEAR AFTER TAXATION	(160,739)	8,318,340

The notes on pages 9 to 21 form part of these financial statements

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Intangible fixed assets	12		114,157		89,362
Tangible fixed assets	13		14,367,053		8,522,770
Fixed asset investments	14		1		1
			<u>14,481,211</u>		<u>8,612,133</u>
CURRENT ASSETS					
Stocks	15	436,268		443,945	
Debtors	16	1,326,894		1,628,337	
Cash at bank and in hand		1,204,358		10,376,639	
		<u>2,967,520</u>		<u>12,448,921</u>	
CREDITORS: amounts falling due within one year	17	(5,494,326)		(8,116,873)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(2,526,806)</u>		<u>4,332,048</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,954,405</u>		<u>12,944,181</u>
CREDITORS. amounts falling due after more than one year	18		-		(813,197)
PROVISIONS FOR LIABILITIES					
Deferred tax	19	(114,862)		(60,742)	
Other provisions	20	(570,992)		(586,045)	
			<u>(685,854)</u>		<u>(646,787)</u>
NET ASSETS			<u><u>11,268,551</u></u>		<u><u>11,484,197</u></u>
CAPITAL AND RESERVES					
Called up share capital	21		244,192		244,192
Share premium account	22		9		9
Revaluation reserve	22		2,302,700		2,352,602
Profit and loss account	22		8,721,650		8,887,394
SHAREHOLDERS' FUNDS	23		<u><u>11,268,551</u></u>		<u><u>11,484,197</u></u>

Shareholders' funds include non-equity interests

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 October 2007



P G Hirst
Director

The notes on pages 9 to 21 form part of these financial statements

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1

1.3 Revenue

The company takes credit for all revenue, including advertising revenue and charges direct expenses in respect of football and cricket matches according to the season to which they relate and not on an actual time basis, in accordance with the following rules

- (i) Football and cricket
All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 25 December 2006
- (ii) Lottery
All revenue from lotteries is shown net of related expenses

1.4 Intangible fixed assets and amortisation

The cost of purchased players' registrations are capitalised and amortised over the period of the respective players' contracts

Profits or losses on the sale of players represent the transfer fee receivable, net of any transaction costs, less unamortised cost of the players' original registration

Where the transfer contract specifies that additional fees are due, contingent on a player achieving a specified number of appearances for his new club, or some other contingent event set out in the transfer contract, these additional amounts are accounted for in the year they fall due

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	-	50 years
Floodlights	-	30 years
Other tangible fixed assets	-	5 years

1.6 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 31 December 1997 and will not update that valuation

1.7 Investments

Investments held as fixed assets are shown at cost less provisions for their impairment

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is the suppliers' invoice value. Net realisable value is the estimated selling price reduced by all costs of marketing, selling and distribution.

1.10 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.

1.11 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 Ground Improvements

Ground improvements are either charged to the profit and loss account or, if of structural significance, capitalised and written off on a straight line basis.

1.13 Development funds

Income from development funds is credited to the profit and loss account on a receivable basis.

1.14 Grants

Grants received in relation to capital expenditure are credited to a deferred income account and amortised over the useful economic life of the assets concerned.

Grants towards revenue expenditure are credited to the profit and loss account as the related expenditure is incurred.

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES (continued)

1.15 Employee Benefit Trusts (EBTs)

The company has established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and are managed at their discretion. Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals. Where monies held in trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

2. TURNOVER

All turnover arose within the United Kingdom.

The whole of the turnover and profit before taxation from continuing activities is attributable to the staging of professional Rugby League Football. The turnover and profit before taxation from discontinued activities arose from the staging of Test, International and County Cricket.

3. OTHER OPERATING INCOME

	2006 £	2005 £
Amortisation of grant creditor	<u>15,053</u>	<u>26,080</u>

4. COST OF SALES AND EXPENSES

	2006		2005	
	Continuing £	Discontinued £	Continuing £	Discontinued £
Change in stocks of finished goods and work in progress	(7,677)	-	67,430	-
Other external charges	4,698,076	-	5,115,783	-
Staff costs	4,708,805	-	4,985,827	-
Depreciation and amortisation	469,119	-	347,010	42,878
Other operating income	<u>15,053</u>	-	<u>26,080</u>	-

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

5. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging

	2006	2005
	£	£
Amortisation - intangible fixed assets	40,205	30,638
Depreciation of tangible fixed assets		
- owned by the company	435,240	351,651
Operating lease rentals		
- plant and machinery	50,319	27,223
	<u>50,319</u>	<u>27,223</u>

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2006	2005
	£	£
Wages and salaries	4,264,268	4,544,280
Social security costs	369,572	347,508
Other pension costs	74,965	94,039
	<u>4,708,805</u>	<u>4,985,827</u>

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

	2006	2005
	No.	No
Administration	90	91
Rugby club	36	24
Players	60	62
Matchday	259	265
	<u>445</u>	<u>442</u>

Included in wages and salaries are contributions to Employee Benefit Trusts of £116,638 (2005 - £184,000)

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

7. DIRECTORS' REMUNERATION

	2006	2005
	£	£
Emoluments	236,232	199,149
	<hr/>	<hr/>
Company pension contributions to money purchase pension schemes	10,799	9,321
	<hr/>	<hr/>

During the year retirement benefits were accruing to 3 directors (2005 - 2) in respect of money purchase pension schemes

The highest paid director received remuneration of £109,161 (2005 - £125,444)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £7,137 (2005 - £3,700)

8. AUDITORS' REMUNERATION

	2006	2005
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	17,500	17,000
Fees payable to the company's auditor and its associates in respect of		
Other services relating to taxation	2,100	2,000
All other services	2,100	2,000
	<hr/>	<hr/>

9. INTEREST PAYABLE

	2006	2005
	£	£
On bank loans and overdrafts	20,356	72,495
On loans from group undertakings	168,000	162,666
	<hr/>	<hr/>
	188,356	235,161
	<hr/>	<hr/>

10 EXCEPTIONAL ITEMS

	2006	2005
	£	£
Profit on disposal of the cricket ground freehold	-	7,203,122
	<hr/>	<hr/>

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

11 TAXATION

	2006	2005
	£	£
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax charge on profits for the year	-	74,777
Adjustments in respect of prior periods	(37,154)	-
Total current tax	(37,154)	74,777
Deferred tax (see note 19)		
Origination and reversal of timing differences	54,120	60,742
Tax on profit on ordinary activities	16,966	135,519

Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below

	2006	2005
	£	£
(Loss)/profit on ordinary activities before tax	(193,675)	7,559,294
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 - 30%)	(58,103)	2,267,788
Effects of:		
Expenses not deductible for tax purposes	56,365	69,532
Depreciation and capital allowances	9,700	(2,140,130)
Utilisation of tax losses brought forward	-	(113,888)
Adjustments to tax charge in respect of prior periods	(37,154)	-
General provisions	(3,446)	(701)
Loan amortisation	(4,516)	(7,824)
Current tax (credit)/charge for the year (see note above)	(37,154)	74,777

Factors that may affect future tax charges

The capital gain on the disposal of the cricket ground freehold in 2005 was rolled over into the cost of the East Stand. The potential tax charge deferred is in the region of £190,000.

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

12. INTANGIBLE FIXED ASSETS

	Player regist- rations £
Cost	
At 1 January 2006	345,500
Additions	65,000
Disposals	(75,000)
	<hr/>
At 31 December 2006	335,500
Amortisation	
At 1 January 2006	256,138
Charge for the year	40,205
On disposals	(75,000)
	<hr/>
At 31 December 2006	221,343
Net book value	
At 31 December 2006	114,157
	<hr/>
At 31 December 2005	89,362
	<hr/>

The cost of player registrations are historic cost amounts for purchased players only. Accordingly the net book amount of player registrations will not reflect, nor is it intended to, the current market value of these players nor does it take any account of players developed through the company's youth system.

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

13 TANGIBLE FIXED ASSETS

	Land and buildings £	Floodlights £	Plant & machinery etc £	Total £
Cost or valuation				
At 1 January 2006	8,958,331	126,569	1,636,711	10,721,611
Additions	5,974,130	-	305,393	6,279,523
At 31 December 2006	<u>14,932,461</u>	<u>126,569</u>	<u>1,942,104</u>	<u>17,001,134</u>
Depreciation				
At 1 January 2006	1,063,003	68,320	1,067,518	2,198,841
Charge for the year	202,315	4,219	228,706	435,240
At 31 December 2006	<u>1,265,318</u>	<u>72,539</u>	<u>1,296,224</u>	<u>2,634,081</u>
Net book value				
At 31 December 2006	<u>13,667,143</u>	<u>54,030</u>	<u>645,880</u>	<u>14,367,053</u>
At 31 December 2005	<u>7,895,328</u>	<u>58,249</u>	<u>569,193</u>	<u>8,522,770</u>

Included in land and buildings is freehold land at valuation of £182,500 (2005 - £182,500), (cost £Nil (2005 - £Nil)) which is not depreciated

Cost or valuation at 31 December 2006 is as follows

	Land and buildings £
At cost	9,582,048
At valuation:	
31 December 1997	<u>5,350,413</u>
	<u>14,932,461</u>

The land and buildings were revalued at 31 December 1997 by Weatherall, Green and Smith, chartered surveyors, on the basis of depreciated replacement cost. The company's policy is to retain that valuation and show subsequent additions at cost.

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

	2006 £	2005 £
Cost	12,884,552	6,910,422
Accumulated depreciation	(1,520,109)	(1,367,696)
Net book value	<u>11,364,443</u>	<u>5,542,726</u>

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

14. FIXED ASSET INVESTMENTS

	Unlisted invest- ments £
Cost or valuation	
At 1 January 2006 and 31 December 2006	<u><u>1</u></u>
The investment relates to £1 invested in Super League Europe	

15. STOCKS

	2006 £	2005 £
Goods for resale	<u><u>436,268</u></u>	<u><u>443,945</u></u>

16. DEBTORS

	2006 £	2005 £
Trade debtors	412,392	933,686
Amounts owed by group undertakings	204,412	36,033
Other debtors	207,065	16,644
Prepayments and accrued income	503,025	641,974
	<u><u>1,326,894</u></u>	<u><u>1,628,337</u></u>

17. CREDITORS.

Amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	-	100,000
Trade creditors	639,354	801,595
Amounts owed to group undertakings	2,594,216	3,300,000
Corporation tax	-	74,777
Social security and other taxes	308,686	698,919
Proposed dividends	52,127	47,122
Other creditors	8,719	5,343
Accruals and deferred income	1,891,224	3,089,117
	<u><u>5,494,326</u></u>	<u><u>8,116,873</u></u>

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

18. CREDITORS:
Amounts falling due after more than one year

	2006	2005
	£	£
Bank loans	<u>-</u>	<u>813,197</u>

The bank loan was repaid during the year

In the prior year, the company gave a fixed and floating charge over the assets of the company, and first legal charge over The Pavillion, Headingley, to The Co-operative Bank Plc

19. DEFERRED TAXATION

	2006	2005
	£	£
At 1 January 2006	60,742	-
Charge for the year	54,120	60,742
	<u>114,862</u>	<u>60,742</u>
At 31 December 2006	<u>114,862</u>	<u>60,742</u>

The provision for deferred taxation is made up as follows

	2006	2005
	£	£
Accelerated capital allowances	114,862	64,188
Short term timing differences	-	(3,446)
	<u>114,862</u>	<u>60,742</u>

20 PROVISIONS

	Grants
	£
At 1 January 2006	586,045
Amounts used	(15,053)
	<u>570,992</u>
At 31 December 2006	<u>570,992</u>

Grants

The deferred grant income relates to grants received towards the cost of improvements to the freehold land and buildings

THE LEEDS CRICKET, FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

21. SHARE CAPITAL

	2006 £	2005 £
Authorised		
500,000 Ordinary shares of £1 each	500,000	500,000
500,000 Preference shares of £1 each	500,000	500,000
	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
125,029 Ordinary shares of £1 each	125,029	125,029
119,163 Preference shares of £1 each	119,163	119,163
	<u>244,192</u>	<u>244,192</u>

The preference shares confer the right to a fixed cumulative dividend of 4 2% per annum

On a winding up of the company, the assets of the company available for distribution amongst the members are to be applied to repay the capital upon the preference shares together with any arrears of dividend in priority to payment to any other class of shares

The company has made appropriation to non-equity shareholders funds for cumulative dividends on the preference shares arising in the current period and preceeding ten financial years At the period end, arrears of dividends on the cumulative preference shares amounted to £52,127 (2005 - £47,122)

22. RESERVES

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 January 2006	9	2,352,602	8,887,394
Loss retained for the year	-	-	(210,641)
Dividends Non-equity capital	-	-	(5,005)
Transfer between revaluation reserve and profit and loss account	-	(49,902)	49,902
At 31 December 2006	<u>9</u>	<u>2,302,700</u>	<u>8,721,650</u>

23. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Opening shareholders' funds	11,484,197	4,065,427
(Loss)/profit for the year	(210,641)	7,423,775
Dividends (Note 24)	(5,005)	(5,005)
Closing shareholders' funds	<u>11,268,551</u>	<u>11,484,197</u>

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FOR THE YEAR ENDED 31 DECEMBER 2006**

24 DIVIDENDS

	2006	2005
	£	£
Dividends paid on non-equity capital	<u>5,005</u>	<u>5,005</u>

25. CAPITAL COMMITMENTS

At 31 December 2006 the company had capital commitments as follows

	2006	2005
	£	£
Contracted for but not provided in these financial statements	<u>-</u>	<u>6,500,000</u>

26 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £74,965 (2005 - £94,039). Contributions totalling £nil (2005 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

27. OPERATING LEASE COMMITMENTS

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows

	2006	2005
	£	£
Expiry date:		
Between 2 and 5 years	<u>71,001</u>	<u>12,213</u>

28. CONTINGENT ASSET

The company has an option to repurchase the freehold of the ground and related goodwill sold in the previous year to Yorkshire County Cricket Club for the payment of £7m at any time in the period between 31 December 2020 and 30 September 2021.

However Yorkshire County Cricket Club can buy-out the company's rights under this option for £3m at any time up to 31 December 2020.

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29. RELATED PARTY TRANSACTIONS

The group, of which Leeds Cricket, Football & Athletic Company Limited is a more than 90% owned subsidiary, prepares consolidated accounts therefore the company is exempt from disclosing related party transactions with other more than 90% owned group companies

During the year under review, the company purchased £209,220 (2005 - £241,174) of legal and professional advice from Cobbetts Solicitors, a business in which C Ross, a director of the company, is a partner. As at 31 December 2006, the amount owed to Cobbetts Solicitors was £8,448 (2005 - £1,227)

A donation of £100,000 (2005 - £100,000) was paid to the charity Leeds Rugby Foundation during the year. P G Hirst and G Hetherington, directors of the company, are also trustees of this charity. During the year, Leeds Cricket, Football & Athletic Company Limited made sales of £136,681 (2005 - £nil) and recharged payroll costs of £87,438 (2005 - £nil) to Leeds Rugby Foundation. The balance owing from Leeds Rugby Foundation at year end is £10,372 (2005 - £1,975)

The company provides stadium facilities to Leeds Rugby Union Football Club Limited, a fellow subsidiary. The transactions in the year amounted to £858,129 (2005 - £705,828) and the balance owing to the company at year end was £165,352 (2005 - £382,318)

30. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is controlled by Leeds Rugby Limited

The parent of the largest and smallest group for which consolidated accounts are prepared is Caddick Group Plc. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ

In the opinion of the directors this is the company's ultimate parent company and the ultimate controlling party