

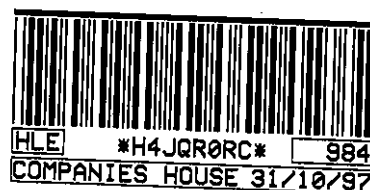
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**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 1996

REGISTERED NUMBER 28301



PANNELL KERR FORSTER
Chartered Accountants

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 1996

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**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1996, which show the state of the company's affairs.

RESULTS AND DIVIDEND

The loss for the year after tax was £505,881 (1995: loss £389,672). The directors do not recommend a dividend for the year.

REVIEW OF THE BUSINESS

The company's principal activity continues to be the staging of professional Rugby League Football, and Test, International and County Cricket.

The accounts indicate that the company has net current liabilities and that, overall, the company continues to trade at a loss.

The directors are disappointed with the results for the the year but some progress has been made in the restructuring of the company's cost base with a view to eventual profitability.

DIRECTORS AND DIRECTORS' INTERESTS

The directors during the financial period and their interests in the shares of the company were as follows:-

	31 December 1996		31 December 1995	
	Pref	Ord	Pref	Ord
P Caddick (appointed 18.10.96)	-	-	-	-
P Hirst (appointed 18.10.96)	-	-	-	-
G Hetherington (appointed 18.10.96)	-	-	-	-
A Laycock (appointed 18.10.96)	-	-	-	-
G Jackson (appointed 18.10.96)	-	-	-	-
D W Greenwood CBE (resigned 18.10.96)	-	-	570	503
Sir Noel Stockdale DFM (resigned 18.10.96)	-	-	1,169	1,063
A G Davies (resigned 18.10.96)	-	-	111	185
R Shuttleworth (resigned 18.10.96)	-	-	312	175
R M Stockdale FCA (resigned 18.10.96)	-	-	312	275
J R Gill (resigned 18.10.96)	-	-	100	100
R A Crosland ACA (resigned 18.10.96)	-	-	-	-

The directors interests in the shares of the company's parent and ultimate parent undertaking are disclosed in those undertakings.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

DIRECTORS' REPORT

COST OF PLAYERS REGISTRATIONS

The Directors recognise that the playing squad is the attraction responsible for generating most of the Company's turnover. The Directors note that the cost of players registrations at 31 December 1996 totalled £1,469,169 (1995: £1,499,000).

LAND AND BUILDINGS

Details of expenditure on property during the year are shown in note 8.

The directors are of the opinion that the market value of the company's freehold property is substantially in excess of the net book amount but, in the absence of an accurate valuation, the amount of the excess is not quantified.

BY ORDER OF THE BOARD



Secretary

7/10/97

Date:

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, 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 which 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 LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

AUDITORS REPORT TO THE SHAREHOLDERS

**PANNELL
KERR
FORSTER**
CHARTERED ACCOUNTANTS

We have audited the financial statements on pages 5 to 18 which have been prepared under the accounting policies set out on pages 8 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

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

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

Going concern

In forming our opinion, we have considered the adequacy of disclosure made in note 1(a) to the financial statements concerning the future funding and trading of the company.

In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Leeds

Chartered Accountants
Registered Auditors

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 1996

		1996		7 month period ended 31 December 1995	
	Note	£	£	£	£
TURNOVER	2		3,973,031		2,801,210
External charges		2,288,607		1,747,982	
Staff costs	4	1,881,069		1,274,917	
Depreciation		<u>119,451</u>	<u>4,289,127</u>	<u>75,909</u>	<u>3,098,808</u>
			(316,096)		(297,598)
INTEREST PAYABLE	5		<u>189,785</u>		<u>92,074</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	6		(505,881)		(389,672)
TAX ON LOSS ON ORDINARY ACTIVITIES	7		<u>-</u>		<u>-</u>
LOSS FOR THE FINANCIAL YEAR			(505,881)		(389,672)
APPROPRIATION	13		<u>372</u>		<u>217</u>
RETAINED LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS			<u>(506,253)</u>		<u>(389,889)</u>

STATEMENT OF RETAINED LOSSES AND PROFITS

		1996	1995
		£	£
Losses at beginning of the year		(816,715)	(427,043)
Loss for the year		<u>(505,881)</u>	<u>(389,672)</u>
Losses at end of the year		<u>(1,322,596)</u>	<u>(816,715)</u>
Accumulated profits		146,573	682,285
Cost of players registrations	21	<u>(1,469,169)</u>	<u>(1,499,000)</u>
Losses at end of the year		<u>(1,322,596)</u>	<u>(816,715)</u>

All amounts relate to continuing operations. The company has no recognised gains or losses other than the loss for the year.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

BALANCE SHEET

31 DECEMBER 1996

		1996		1995	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	8		3,762,899		3,963,918
CURRENT ASSETS					
Stock	9	-		52,038	
Debtors	10	475,239		492,316	
Cash and short term deposits		<u>6,506</u>		<u>14,239</u>	
		481,745		558,593	
CREDITORS - Amounts falling due within one year	11	<u>1,810,299</u>		<u>1,546,975</u>	
NET CURRENT LIABILITIES			<u>(1,328,554)</u>		<u>(988,382)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,434,345		2,975,536
CREDITORS - Amounts falling due after more than one year	11		1,503,370		1,213,827
DEFERRED INCOME	12		<u>2,009,370</u>		<u>2,560,686</u>
NET LIABILITIES			<u>(1,078,395)</u>		<u>(798,977)</u>
CAPITAL AND RESERVES					
Called up share capital	13		244,192		17,734
Forfeited shares account			9		4
Profit and loss account:					
Accumulation of profits			146,573		682,285
Cost of players registrations	21		<u>(1,469,169)</u>		<u>(1,499,000)</u>
TOTAL SHAREHOLDERS' FUNDS	14				
- Equity		(1,199,635)		(809,549)	
- Non equity		<u>121,240</u>		<u>10,572</u>	
			<u>(1,078,395)</u>		<u>(798,977)</u>

Approved by the board on 7/10/97



Director

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 1996

		1996		7 month period ended 31 December 1995	
	Note	£	£	£	£
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	15		(956,003)		(489,004)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest paid		<u>(183,763)</u>		<u>(84,782)</u>	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(183,763)		(84,782)
INVESTING ACTIVITIES					
Payments to acquire tangible fixed assets		(14,188)		(157,304)	
Receipts from sale of tangible fixed assets		<u>90,000</u>		<u>-</u>	
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			<u>75,812</u>		<u>(157,304)</u>
NET CASH OUTFLOW BEFORE FINANCING			(1,063,954)		(731,090)
FINANCING					
Issue of share capital		226,463		-	
Fellow subsidiary loan advance		828,290		-	
Bank loan advance		150,000		-	
Other loan advances		200,000		-	
Repayment of Rugby Football League Loan		(8,895)		(9,725)	
Other loan repayments		(20,283)		(18,197)	
Capital portion of repayments on finance lease and hire purchase contracts		<u>(4,821)</u>		<u>(2,813)</u>	
NET CASH (OUTFLOW) INFLOW FROM FINANCING			<u>1,370,754</u>		<u>(30,735)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	15		<u>306,800</u>		<u>(761,825)</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention and comply with applicable accounting standards.

The accounts show net current liabilities of £1,328,554 (1995 : £988,382). Total liabilities exceed total assets by £1,078,395 (1995 : £798,977), the loss for the year being £505,881 (1995 : £389,672).

The company's ultimate parent undertaking Paul Caddick (Holdings) plc, has confirmed that it will maintain its financial support for the foreseeable future to enable the company to continue normal trading operations. The accounts are therefore drawn up on a going concern basis.

Since the balance sheet date this support has been demonstrated by the further injection of £250,000.

(b) Revenue

The company takes credit for all revenue, including advertising revenue, and charges direct expenses in respect of rugby 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) Rugby Football

All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 31 December 1996.

(ii) Cricket

All revenue from matches and advertising in one calendar year are included in the accounts for the year ending 31 December 1996.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

1. ACCOUNTING POLICIES (Continued)

(c) Ground improvements

Ground improvements are either charged to profit and loss account or, if of structural significance, capitalised and written off on a straight line basis (see (f) (i) and (ii) below).

(d) Development funds

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

(e) Transfer fees

Transfer fees paid or received and signing on fees paid are written off to the profit and loss account in the year in which the fees are due to be paid or received.

(f) Depreciation

Depreciation of tangible fixed assets is provided as follows:-

(i) Freehold land and buildings

The cost of buildings capitalised after the year ended 31 May 1985 is being written off over the expected life of 50 years.

Depreciation on the cost of buildings capitalised to 31 May 1984 is charged to profit and loss account at the rate of £1,000 per annum to write off that cost over the expected life of the buildings.

(ii) Floodlights

The cost of floodlights is being written off over the expected useful life of 30 years.

(iii) Other tangible fixed assets

Depreciation is provided on a straight line basis calculated to write off the cost of the individual assets over their estimated useful lives. The rate used for plant, furniture, fittings and motor vehicles is 20% per annum on original cost.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

1. ACCOUNTING POLICIES (Continued)

(g) Investment income

Investment income is credited to income when received.

(h) Finance and operating leases

Assets acquired under finance leases are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account evenly over the period of the lease.

Leasing charges in respect of operating leases are recognised in the profit and loss account over the lives of the lease agreements as incurred.

(i) Pension costs

The company operates a defined contribution scheme providing benefits for employees additional to those from the state. The pension cost charge represents contributions payable by the company to the fund in respect of the year.

2. TURNOVER

Turnover represents the gross income of the company, excluding investment income, interest receivable and value added tax.

All turnover arose from trading in the UK.

3. PENSION COSTS

The company has made annual payments to a defined contribution pension scheme, the assets of which are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company and amounted to £17,479 (1995: £7,572).

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

4. STAFF COSTS

	1996	7 month period ended 31 December 1995
	£	£
Wages and salaries	1,672,884	1,149,483
Social security costs	190,706	117,862
Other pension costs	<u>17,479</u>	<u>7,572</u>
	<u><u>1,881,069</u></u>	<u><u>1,274,917</u></u>

	Number	Number
Administration	39	32
Ground staff	9	8
Players	<u>60</u>	<u>57</u>
	<u><u>108</u></u>	<u><u>97</u></u>

Directors' emoluments were as follows:	£	£
Salaries	82,458	56,817
Other emoluments including pension contributions	<u>21,668</u>	<u>14,741</u>
	<u><u>104,126</u></u>	<u><u>71,558</u></u>

Emoluments (excluding pension contributions) included the following:

Chairman	<u>-</u>	<u>868</u>
Highest paid director	<u><u>60,988</u></u>	<u><u>43,847</u></u>

The emoluments of other directors during the period fell into the following ranges:

	Number of directors	
£0-5,000	10	7
£20,001 - £25,000	-	1
£35,001 - £40,000	<u>1</u>	<u>-</u>

All emoluments relate to directors retiring before the year end.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

5. INTEREST PAYABLE

		7 month period ended 31 December
	1996	1995
	£	£
Interest payable and similar charges comprised:		
On bank loans and overdrafts wholly repayable within 5 years not by instalments	59,081	81,011
Interest on other loans (including hire purchase interest)	<u>130,704</u>	<u>11,063</u>
	<u>189,785</u>	<u>92,074</u>

**6. LOSS ON ORDINARY
ACTIVITIES BEFORE TAXATION**

The loss on ordinary activities before
taxation is after charging:

Depreciation	119,451	75,909
Auditors' remuneration	10,000	14,000
Rentals under operating leases	<u>19,732</u>	<u>26,473</u>

7. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no corporation tax payable on the results for the year and the company has tax losses brought forward from previous years.

8. FIXED ASSETS - TANGIBLE

	1996	Additions	Disposals	1995
	£	£	£	£
Cost				
Freehold land and buildings	4,138,848	5,499	(105,204)	4,238,553
Floodlights	115,088	-	-	115,088
Plant, furniture, fittings and motor vehicles	387,865	8,689	-	379,176
	<u>4,641,801</u>	<u>14,188</u>	<u>(105,204)</u>	<u>4,732,817</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

8. FIXED ASSETS - TANGIBLE (continued)

	1996 £	Charge for the year £	Disposals £	1995 £
Depreciation				
Freehold land and buildings	550,244	79,459	(9,448)	480,233
Floodlights	32,267	3,836	-	28,431
Plant, furniture, fittings and motor vehicles	296,391	36,156	-	260,235
	<u>878,902</u>	<u>119,451</u>	<u>(9,448)</u>	<u>768,899</u>

	1996 £	1995 £
Net book amounts		
Freehold land and buildings	3,588,604	3,758,320
Floodlights	82,821	86,657
Plant, furniture, fittings and motor vehicles	<u>91,474</u>	<u>118,941</u>
	<u>3,762,899</u>	<u>3,963,918</u>

Included in plant, furniture, fittings and motor vehicles is an asset with a net book value of £13,533 (1995: £19,133) held under a hire purchase agreement. Depreciation charged in the year on this asset amounted to £5,600 (1995: £3,267).

9. STOCK	1996 £	1995 £
Goods for resale	<u>-</u>	<u>52,038</u>

10 DEBTORS

Trade debtors	194,732	219,663
Prepayments and accrued income	<u>280,507</u>	<u>272,653</u>
	<u>475,239</u>	<u>492,316</u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

11. CREDITORS

	1996 £	1995 £
Amounts falling due within one year:		
Bank overdraft	296,637	611,170
Bank loan	200,000	200,000
Trade creditors	157,420	194,961
Corporation tax	583	583
Loans - Rugby Football League	7,999	12,996
Other loans	51,738	20,283
Amounts owing to fellow subsidiary	828,290	-
Taxation and social security	82,578	132,486
Accruals	175,576	321,876
Other creditors	4,656	47,798
Hire purchase	4,822	4,822
	<u>1,810,299</u>	<u>1,546,975</u>
Amounts falling due after more than one year:		
Loans - Rugby Football League	-	3,898
Bank loan	1,300,000	1,150,000
Other loans	200,000	51,738
Hire purchase due within 2-5 years	3,370	8,191
	<u>1,503,370</u>	<u>1,213,827</u>

The bank loan and amount owing to fellow subsidiary are secured by mortgages over the company's freehold property.

The bank loan is currently under the terms of the original offer, being repaid in annual instalments of £200,000 per annum over the next seven years and is therefore accounted for as a long term liability. The terms of the loan agreement also allow the bank to demand immediate repayment at their sole discretion.

The hire purchase creditor is secured on the asset to which it relates.

Included in other loans is an amount of £250,000, of which £200,000 falls due after more than one year. This £200,000 bears interest at 6% per annum, and is repayable by half yearly instalments starting on 1 May 1998 and being fully repaid on 1 October 2000. The balance of £50,000 is interest free.

At the year end there were two loans from the Rugby Football League:-

- (i) both repayable in equal monthly instalments and guaranteed by the holding company with interest on the reducing balance at an average rate of 6% during the year.

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

12. DEFERRED INCOME

	1996	1995
	£	£
Deferred income comprises:		
Income received in advance	314,363	651,588
Other deferred income	<u>1,695,007</u>	<u>1,909,098</u>
	<u><u>2,009,370</u></u>	<u><u>2,560,686</u></u>

Income received in advance is sales of tickets and related income in respect of events in the forthcoming year.

Movements in other deferred income were as follows:

At 1 January 1996	1,909,098	2,039,667
Loan amortisation	<u>(214,091)</u>	<u>(130,569)</u>
At 31 December 1996	<u><u>1,695,007</u></u>	<u><u>1,909,098</u></u>

The other deferred income relates to agreements whereby funds have been advanced as a loan in order to finance development of the ground and facilities. The year end balance of £1,695,007 is being written off in equal instalments over 10 years in accordance with loan and sponsorship agreements. This loan is secured by a charge over the company's freehold property.

13. SHARE CAPITAL

Movements in share capital during the year were as follows:

	1996	1995
	Authorised	Authorised
	£	£
Ordinary shares of £1 each (equity shares)	500,000	12,500
4.2% cumulative preference shares of £1 each (non-equity shares)	<u>500,000</u>	<u>12,500</u>
	<u><u>1,000,000</u></u>	<u><u>25,000</u></u>

The preference shares confer the right to a fixed cumulative dividend of 4.2% per annum.

	1996	1995
	Allotted and fully paid	Allotted and fully paid
	£	£
Ordinary shares of £1 each (equity shares)	125,029	8,867
4.2% cumulative preference shares of £1 each (non-equity shares)	<u>119,163</u>	<u>8,867</u>
	<u><u>244,192</u></u>	<u><u>17,734</u></u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

13. SHARE CAPITAL (Continued)

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 paid 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 preceding five financial years.

At the period end, arrears of dividends on the cumulative preference shares amounted to £2,077 (1995 : £1,705)

During the year an ordinary resolution was passed which increased the authorised ordinary share capital by 487,500 to 500,000 shares of £1 each and the 4.2% cumulative preference shares by 487,500 to 500,000 shares with a nominal value of £1.

There was a rights issue during the year, which entitled the holders of each category of share to take up 14 new shares of that category. The consideration payable was £1 for each new share taken up.

Of the maximum 175,000 new shares of each class on offer, 116,162 new ordinary shares were taken up at a price of £116,162 (nominal value £116,162) and 110,301 preference shares at a price of £110,301 (nominal value £110,301).

14. SHAREHOLDERS' FUNDS

The reconciliation of movements in shareholders' funds was as follows:-

	1996	1995
	£	£
Loss for the financial year	(505,881)	(389,672)
New shares issued	226,463	-
Balance at 1 January 1996	<u>(798,977)</u>	<u>(409,305)</u>
Balance at 31 December 1996	<u><u>(1,078,395)</u></u>	<u><u>(798,977)</u></u>

15. NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	1996	1995
	£	£
Operating loss before interest	(316,096)	(297,598)
Depreciation charges	119,451	75,909
Loan amortisation	(214,091)	(130,569)
Decrease (increase) in stocks	52,038	(20,166)
Decrease in debtors	17,077	186,418
(Decrease) in creditors	(620,138)	(322,548)
Loss on disposal of fixed asset	<u>5,756</u>	<u>19,550</u>
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<u><u>(956,003)</u></u>	<u><u>(489,004)</u></u>

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

**16. INCREASE (DECREASE) IN CASH
AND CASH EQUIVALENTS**

	1996 £	1995 £
Balance at 1 January 1996	(596,931)	164,894
Net cash inflow (outflow)	<u>306,800</u>	<u>(761,825)</u>
Balance at 31 December 1996	<u><u>(290,131)</u></u>	<u><u>(596,931)</u></u>

17. CASH AND CASH EQUIVALENTS

	1996 £	1995 £	Change £
Cash at bank and in hand	6,506	14,239	(7,733)
Bank overdraft	<u>(296,637)</u>	<u>(611,170)</u>	<u>314,533</u>
	<u><u>(290,131)</u></u>	<u><u>(596,931)</u></u>	<u><u>306,800</u></u>

18. TRANSFER AND SIGNING ON FEES

As stated in Accounting Policy 1(e), transfer fees paid or received and signing on fees paid are written off to profit and loss account in the period in which the fees are due to be paid or received. At 31 December 1996, transfer fees payable in future years amounted to £50,000 (1995 : £49,500) whilst signing on fees payable amounted to £82,500 (1995 : £119,500). Transfer fees receivable after 31 December 1996 amounted to £33,750 (1995 : £16,500).

19. FINANCIAL COMMITMENTS

At 31 December 1996 the company had operating lease commitments to pay during the next year in respect of motor vehicles:

	1996 £	1995 £
Expiring within one year	3,306	6,654
Expiring between two and five years	<u>1,760</u>	<u>9,772</u>
	<u><u>5,066</u></u>	<u><u>16,426</u></u>

20. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the accounts amounted to £NIL (1995 : £27,000).

**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1996

21. COST OF PLAYERS' REGISTRATION

In accordance with normal accounting procedures for Rugby League Clubs, transfer and signing fees have been written off in the profit and loss account in the year in which the fees are due to be paid. At the year end, the total cost of transfer and signing fees in respect of the current registered players was £1,469,169 (1995 : £1,499,000).

22. PARENT UNDERTAKINGS

The parent company is Leeds Rugby Limited, a company registered in England. The ultimate parent undertaking is Paul Caddick (Holdings) plc a company registered in England.

23. CONTROLLING PARTY

The company's ultimate controlling party is Mr Paul Caddick.