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

ANNUAL REPORT

YEAR ENDED 31 MAY 1995

COMPANY NUMBER: 28301

PANNELL KERR FORSTER
Chartered Accountants



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

ANNUAL REPORT

YEAR ENDED 31 MAY 1995

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THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED

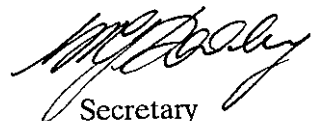
NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of The Leeds Cricket, Football & Athletic Company Limited will be held at The Pavilion, St Michael's Lane, Leeds on 13 December 1995 at 9.30 a.m. for the following purposes.

1. To receive the reports of the directors and auditors and the accounts for the year ended 31 May 1995.
2. To transact any other ordinary business.

BY ORDER OF THE BOARD

Date: 25th October 1995


Secretary

NOTE: A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote instead of him. A proxy form may be obtained on application at the registered office. A proxy need not also be a member of the company.

Such forms of proxy must be lodged with the secretary at least 48 hours before the meeting.

DIRECTORS:

D W Greenwood CBE	Chairman
Sir Noel Stockdale DFM	Vice-Chairman
A G Davies	Chief Executive
R Shuttleworth	
R M Stockdale FCA	
J R Gill	
R A Crosland ACA	

SECRETARY:

M G Dooley

REGISTERED OFFICE:

The Pavilion, St Michael's Lane, Leeds, LS6 3BR

**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 May 1995, which show the state of the company's affairs.

1. RESULTS AND DIVIDEND

The profit for the year after tax was £26,018 (1994: profit £201,315). The directors do not recommend a dividend and recommend that the profit for the year be transferred to reserves.

2. 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 Rugby League section continued to make progress on the field with a second successive appearance in the Silk Cut Challenge Cup Final at Wembley and in addition were runner's up in the League and Premiership competitions. The Alliance and the Academy teams both finished as champions of their respective leagues, thus providing a fitting tribute to the club's youth policy during recent seasons and providing good reason for future optimism.

The trading performance of the company is dominated by its activity in the transfer market. After taking account of proceeds received for outgoing players, the company invested £241,000 in the strengthening of its playing resources and in line with the traditionally accepted accounting policy, this cost has been written off before arriving at a profit for the year of £26,018.

3. DIRECTORS AND DIRECTORS' INTERESTS

(a) The present directors are as listed on page 1.

(b) The directors during the financial year and their interests in the shares of the company were as follows:-

	31 May 1995		31 May 1994	
	<u>Pref</u>	<u>Ord</u>	<u>Pref</u>	<u>Ord</u>
N Shuttleworth CBE (retired 27.6.94)	1,354	1,396	1,354	1,396
D W Greenwood CBE	570	503	312	275
Sir Noel Stockdale DFM	1,169	1,063	1,169	1,063
A G Davies	111	185	111	185
F Bartlett (retired 27.6.94)	303	702	303	702
M G Crawford FCA (retired 14.6.95)	312	326	312	326
H Jepson (retired 27.6.94)	312	275	312	275
R Shuttleworth	312	275	312	275
R M Stockdale FCA	312	275	312	275
J Warham (retired 12.7.95)	337	275	337	275
J R Gill (appointed 26.7.94)	100	100	-	-
R A Crosland ACA (appointed 10.5.95)	-	-	-	-

THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED

DIRECTORS' REPORT

3. DIRECTORS AND DIRECTORS' INTERESTS (CONTINUED)

- (c) The directors retiring by rotation are Mr D W Greenwood CBE and Mr R M Stockdale who, being eligible offer themselves for re-election.
- (d) Mr R A Crosland was appointed to the board on 10 May 1995. In accordance with the company's Articles of Association, he retires and offers himself for re-election.

4. COST OF CURRENT PLAYING STAFF

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 at 31 May 1995 totalled £1,360,000 (1994: £1,375,800).

5. LAND AND BUILDINGS

Details of expenditure on property during the year are shown in note 7.

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 a recent valuation, the amount of the excess is not quantified.

6. AUDITORS

A resolution to reappoint the auditors, Pannell Kerr Forster, will be proposed at the annual general meeting.

BY ORDER OF THE BOARD

Date: 25th. OCTOBER 1995


Secretary

**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 REPORTS TO THE SHAREHOLDERS

PANNELL
KERR
FORSTER
CHARTERED ACCOUNTANTS

We have audited the financial statements on pages 6 to 18 which have been prepared under the accounting policies set out on page 9 to 11.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 4 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 May 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Leeds

21 November 1995

Pannell Kerr Forster
Chartered Accountants
Registered Auditors

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

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MAY 1995

	<u>NOTES</u>	<u>£</u>	<u>1995</u> <u>£</u>	<u>£</u>	<u>1994</u> <u>£</u>
TURNOVER	2		4,397,089		4,233,210
External charges		2,260,233		2,092,674	
Staff costs	3	1,840,426		1,603,792	
Depreciation		<u>126,094</u>	<u>4,226,753</u>	<u>117,673</u>	<u>3,814,139</u>
			170,336		419,071
INTEREST PAYABLE	4		<u>144,318</u>		<u>217,756</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5		26,018		201,315
TAX ON PROFIT ON ORDINARY ACTIVITIES	6		<u>-</u>		<u>-</u>
PROFIT FOR THE FINANCIAL YEAR			26,018		201,315
APPROPRIATION	13		<u>372</u>		<u>372</u>
RETAINED PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS			<u>25,646</u>		<u>200,943</u>
<u>STATEMENT OF RETAINED LOSSES AND PROFITS</u>			<u>1995</u> <u>£</u>		<u>1994</u> <u>£</u>
Losses at beginning of the year			(453,061)		(654,376)
Profit for the year			<u>26,018</u>		<u>201,315</u>
Losses at end of the year			<u>(427,043)</u>		<u>(453,061)</u>
Accumulated profits			932,957		922,739
Cost of current playing staff	21		<u>(1,360,000)</u>		<u>(1,375,800)</u>
Losses at end of the year			<u>(427,043)</u>		<u>(453,061)</u>

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

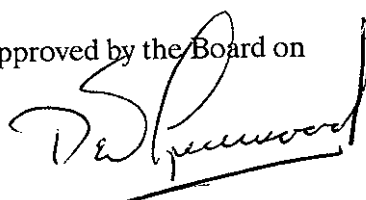
**THE LEEDS CRICKET, FOOTBALL & ATHLETIC
COMPANY LIMITED**

BALANCE SHEET

31 MAY 1995

	NOTES	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible assets	7	3,902,073		3,949,709	
Investments	8	-	3,902,073	100	3,949,809
CURRENT ASSETS					
Stock	9	31,872		20,629	
Debtors	10	678,734		458,652	
Cash and short term deposits		164,894		6,815	
		875,500		486,096	
CREDITORS - Amounts falling due within one year					
	11	1,148,995		1,692,518	
NET CURRENT LIABILITIES			(273,495)		(1,206,422)
TOTAL ASSETS LESS CURRENT LIABILITIES			3,628,578		2,743,387
CREDITORS - Amounts falling due after more than one year					
	11		1,226,672		169,699
DEFERRED INCOME			2,811,211		3,009,011
NET LIABILITIES			(409,305)		(435,323)
CAPITAL AND RESERVES					
Called up share capital	13		17,734		17,734
Forfeited shares account			4		4
Profit and loss account:					
Accumulation of profits			932,957		922,739
Cost of current playing staff	21		(1,360,000)		(1,375,800)
TOTAL SHAREHOLDERS' FUNDS¹⁴					
- Equity		(419,660)		(445,306)	
- Non equity		10,355		9,983	
			(409,305)		(435,323)

Approved by the Board on



25th October 1995
Director

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

CASH FLOW STATEMENT

YEAR ENDED 31 MAY 1995

	<u>NOTES</u>	<u>1995</u>	<u>1994</u>
		£	£
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	15	(65,871)	(14,695)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		<u>(134,550)</u>	<u>(168,168)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(134,550)	(168,168)
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		(78,458)	(270,885)
Receipts from sale of tangible fixed assets		<u>-</u>	<u>196,500</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		<u>(78,458)</u>	<u>(74,385)</u>
NET CASH OUTFLOW BEFORE FINANCING		(278,879)	(257,248)
FINANCING			
Advance of Rugby Football League loan		-	40,000
Repayment of Rugby Football League Loan		(24,297)	(12,792)
Sponsorship agreement net new cash advances		-	1,013,483
Other loan advances		1,500,000	196,966
Other loan repayments		(242,605)	(514,179)
Capital portion of repayments on finance lease and hire purchase contracts		<u>(4,822)</u>	<u>(852)</u>
NET CASH INFLOW FROM FINANCING		<u>1,228,276</u>	<u>722,626</u>
INCREASE IN CASH AND CASH EQUIVALENTS	16	<u>949,397</u>	<u>465,378</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

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 £273,495 (1994 : £1,206,422). Total liabilities exceed total assets by £409,305 (1994 : £435,323), the profit for the year being £26,018 (1994 : profit £201,315). The bank has confirmed an adequate facility will be available for the company's operations until the end of February 1996, after which time the facility will be reviewed on a monthly basis. This alteration in arrangements arises because of the change in the timing of the company's cashflows due to the advent of the Rugby League Superleague. The directors are confident that, subject to exceptional or unforeseen circumstances arising, an adequate facility will continue to be made available to the company and the bank has at no time indicated that they will not continue to support the company. The accounts are therefore drawn up on a going concern basis.

(b) Revenue

The company takes credit for all revenue, including advertising revenue, and charges all expenses 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

All revenue from matches and advertising relating to the season which finishes in one calendar year are included in the accounts to 31 May of that year.

(ii) Cricket

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

(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

Cash received from development funds is credited to profit and loss account when received.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

1. ACCOUNTING POLICIES (Continued)

(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.

(g) Investment income

Investment income is credited to income when received.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

1. ACCOUNTING POLICIES (Continued)

(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) Stocks

Stocks are stated at the lower of cost and net realisable value.

2. TURNOVER

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

All turnover arose from trading in the UK.

3. STAFF COSTS

	<u>1995</u> £	<u>1994</u> £
Wages and salaries	1,641,458	1,436,502
Social security costs	180,867	146,157
Other pension costs	18,101	21,133
	<u>1,840,426</u>	<u>1,603,792</u>
 Average number employed in the year:	 <u>Number</u>	 <u>Number</u>
Administration	35	37
Ground staff	9	8
Players	50	47
	<u>94</u>	<u>92</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

3. STAFF COSTS (continued)

	<u>1995</u>	<u>1994</u>
	£	£
Directors' emoluments were as follows:		
Salaries	78,329	73,332
Other emoluments including pension contributions	<u>26,996</u>	<u>19,693</u>
	<u>105,325</u>	<u>93,025</u>
Emoluments (excluding pension contributions) included the following:		
	£	£
Chairman	<u>956</u>	<u>-</u>
Highest paid director	<u>91,209</u>	<u>87,326</u>

The emoluments of other directors during the year fell into the following range:-

	<u>Number of directors</u>	
	<u>10</u>	<u>9</u>
£0 - 5,000		

4. INTEREST PAYABLE

Interest payable and similar charges comprised:

	£	£
On bank loans and overdrafts wholly repayable within 5 years not by instalments	141,780	166,897
Interest on other loans	<u>2,538</u>	<u>50,859</u>
	<u>144,318</u>	<u>217,756</u>

**5. PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION**

The profit on ordinary activities before taxation is after charging (crediting):

Depreciation (note 7)	126,094	117,673
Auditors' remuneration	16,000	14,000
Rentals under operating leases	27,494	22,328
Grant received	<u>-</u>	<u>(250,000)</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

7. FIXED ASSETS - TANGIBLE

<u>Cost</u>	At 1 June 1994 £	Additions £	Disposals £	At 31 May 1995 £
Freehold land and buildings	4,123,724	55,443	-	4,179,167
Floodlights	115,088	-	-	115,088
Plant, furniture, fittings and motor vehicles	279,993	23,015	-	303,008
	<u>4,518,805</u>	<u>78,458</u>	<u>-</u>	<u>4,597,263</u>
 <u>Depreciation</u>	 At 1 June 1994 £	 Charge for the year £	 Disposals £	 At 31 May 1995 £
Freehold land and buildings	347,124	85,598	-	432,722
Floodlights	22,282	3,911	-	26,193
Plant, furniture, fittings and motor vehicles	199,690	36,585	-	236,275
	<u>569,096</u>	<u>126,094</u>	<u>-</u>	<u>695,190</u>
	At 31 May 1994 £			At 31 May 1995 £
 <u>Net Book Amounts</u>				
Freehold land and buildings	3,776,600			3,746,445
Floodlights	92,806			88,895
Plant, furniture, fittings and motor vehicles	80,303			66,733
	<u>3,949,709</u>			<u>3,902,073</u>

Included in plant, furniture, fittings and motor vehicles is an asset with a net book value of £22,400 (1994: £28,000) held under a hire purchase agreement. Depreciation charged in year on this asset amounted to £5,600 (1994: £nil).

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

NOTES TO THE FINANCIAL STATEMENT

YEAR ENDED 31 MAY 1995

8. FIXED ASSETS - INVESTMENTS	At 1 <u>June 1994</u> £	<u>Provision</u> £	At 31 <u>May 1995</u> £
Unlisted investments, at cost	<u>100</u>	<u>100</u>	<u>-</u>

The cost of the above investment was written off during the year.

9. STOCK	<u>1995</u> £	<u>1994</u> £
Goods for resale	<u>31,872</u>	<u>20,629</u>

10. DEBTORS	<u>1995</u> £	<u>1994</u> £
Trade debtors	339,388	290,075
Other debtors	31,901	97,738
Prepayments and accrued income	<u>307,445</u>	<u>70,839</u>
	<u>678,734</u>	<u>458,652</u>

11. CREDITORS

Amounts falling due within one year:

Bank overdraft	-	791,318
Bank loan	200,000	-
Trade creditors	262,975	292,974
Corporation tax	583	583
Loans - Rugby Football League	15,119	18,916
Other loans	36,050	65,116
Taxation and social security	258,243	219,402
Accruals	369,879	297,513
Other creditors	1,324	1,874
Hire purchase	4,822	4,822
	<u>1,148,995</u>	<u>1,692,518</u>

Amounts falling due after more than one year:

Loans - Rugby Football League	11,500	32,000
Bank loan	1,150,000	-
Other loans	54,168	121,873
Hire purchase due within 2-5 years	<u>11,004</u>	<u>15,826</u>
	<u>1,226,672</u>	<u>169,699</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

11. CREDITORS (CONTINUED)

The bank loan is secured by a legal mortgage 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 £51,517 which does not attract interest.

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

- (i) one repayable in equal monthly instalments to August 1998 and guaranteed by the directors with interest on the reducing balance at an average rate of 6% during the year.
- (ii) one repayable in equal monthly instalments to August 1995 and guaranteed by the directors with interest on the reducing balance at an average rate of 7% during the year.
- (iii) one repayable in equal monthly instalments to October 1998 and guaranteed by the directors 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 MAY 1995

12. DEFERRED INCOME	<u>1995</u>	<u>1994</u>
Deferred income comprises:	£	£
Income received in advance	771,544	742,344
Other deferred income	2,039,667	2,266,667
	<u>2,811,211</u>	<u>3,009,011</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 June 1994	2,266,667	1,275,000
Funds advanced during the year	-	2,100,000
Funds repaid during the year	-	(947,885)
Loan amortisation	(227,000)	(160,448)
At 31 May 1995	<u>2,039,667</u>	<u>2,266,667</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 £2,039,667 is being written off in equal instalments over 10 years in accordance with loan and sponsorship agreements.

13. SHARE CAPITAL

There was no change in share capital during the year.

	<u>Authorised</u>	<u>Allotted and fully paid</u>
	£	£
4.2% cumulative preference shares of £1 each (non-equity shares)	12,500	8,867
Ordinary shares of £1 each (equity shares)	12,500	8,867
	<u>25,000</u>	<u>17,734</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 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 and preceeding three financial years.

At the year end, arrears of dividends on the cumulative preference shares amounted to £1,488 (1994 : £1,116).

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

14. SHAREHOLDERS' FUNDS

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

	<u>1995</u> £	<u>1994</u> £
Profit for the financial year	26,018	201,315
Balance at 1 June 1994	(435,323)	(636,638)
Balance at 31 May 1995	<u>(409,305)</u>	<u>(435,323)</u>

15. NET CASH OUTFLOW FROM OPERATING ACTIVITIES

Operating profit before interest	170,336	419,071
Depreciation charges	126,094	117,673
Loan amortisation	(227,000)	(160,448)
(Increase) in stocks	(11,243)	(2,546)
(Increase) in debtors	(220,082)	(240,898)
Increase (decrease) in creditors	95,924	(151,922)
Loss on disposal of fixed asset	100	4,375
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<u>(65,871)</u>	<u>(14,695)</u>

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

Balance at 1 June 1994	(784,503)	(1,249,881)
Net cash inflow	949,397	465,378
Balance at 31 May 1995	<u>164,894</u>	<u>(784,503)</u>

17. CASH AND CASH EQUIVALENTS

	<u>1995</u> £	<u>1994</u> £	<u>Change</u> £
Cash at bank and in hand	164,894	6,815	158,079
Bank overdraft	-	(791,318)	791,318
	<u>164,894</u>	<u>(784,503)</u>	<u>949,397</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

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 year in which the fees are due to be paid or received. At 31 May 1995, transfer fees payable in future years amounted to £18,000 (1994: £85,000) whilst signing on fees payable amounted to £46,500 (1994: £72,500). Transfer fees receivable after 31 May 1995 amounted to £Nil (1994: £Nil).

19. FINANCIAL COMMITMENTS

At 31 May 1995 there was the following commitment under non cancellable operating leases relating to motor vehicles.

	<u>1995</u> £	<u>1994</u> £
Operating leases which expire:		
Payable within one year	887	2,420
Payable between two and five years	<u>22,653</u>	<u>21,161</u>
	<u>23,540</u>	<u>23,581</u>

20. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the accounts amounted to £27,000 (1994 : £53,422).

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 playing staff was £1,360,000 (1994: £1,375,800).