

**Somerset County Cricket Club Limited**

**Number 29995R**

**A Registered Society under the Co-Operative and Community Benefit Societies Act  
2014**

**Accounts for the Year to 30 September 2014**

## Somerset County Cricket Club Limited

### Accounts for the Year to 30 September 2014

#### Officers

Roy Kerslake \* President

Andy Nash \* Chairman

David Gabbitass \* Vice Chairman & Area Representative – Devon & Cornwall

Dave Nosworthy\* Director of Cricket

Guy Lavender Chief Executive

Malcolm Derry\* Honorary Treasurer

Vic Marks \*

Nick Engert \*

Charles Clark \*

Peter Wanless \*

Viv Brewer Area Representative – Bridgwater and West Somerset

Geoff Hepworth Area Representative – Mid Somerset

David Foot Area Representative – South Somerset & Dorset

Brian Daw Area Representative – Taunton

Richard Parsons Area Representative – North Somerset & Bristol

John Scott Area Representative – Weston-super-Mare

David Pope Area Representative – Bath & Wiltshire

\* - Member of Management Sub-Committee

#### Registered Office

The County Ground

St James's Street

Taunton TA1 1JT

#### Auditors

BJ Dixon Walsh Ltd, Statutory Auditor

Chartered Accountants

BJ Dixon Walsh Ltd

Rumwell Hall

Rumwell

Taunton

TA4 1EL

## **Somerset County Cricket Club Limited**

### **Accounts for the Year to 30 September 2014**

#### **Treasurers Report**

The attached financial statements have been prepared in accordance with the Club Rules (as amended).

The Company is a registered society under the Co-Operative and Community Benefit Societies Act 2014.

The Committee confirm that the accounts are prepared on a going concern basis.

#### **Financial Review**

I am pleased to be able to report another strong financial performance in 2014. A surplus for the year before taxation of £239,943 compares to a 2013 surplus of £468,703. This has been achieved whilst still remaining committed to the financial goals of the Club:

- To operate within our budgets
- To meet our responsibilities in terms of loan and interest payments
- To ensure we have funds available for continued investment in cricket

Indeed, significant additional funds have been raised in the year to finance the development of the new pavilion and further detail on this will be covered later in the report.

Our accounts once again carry a qualified audit report, as they have every year for the last fourteen years. The Committee remain of the opinion that the County Ground is an asset that we continue to invest in, and thus do not feel a necessity to provide for depreciation on an appreciating asset.

#### **Income and Expenditure**

Total income for the year of £3,890,587 was £345,283 (8%) down on last year.

Income in 2014 returned to historic levels after the significant contributions of the Australia tourist match in 2013.

Direct cricket income, comprising membership and gate income of £1,167,957, was 20% (£301,039) down on the 2013 financial year. This shortfall was primarily due to the lack of a tourist match and of not reaching the latter stages of any of the major competitions.

Income received from the ECB was also adversely affected (£106,172) as a result of low Somerset representation in the national side when compared to previous years. Catering and commercial continued to deliver excellent results and reaffirmed their importance to the financial performance of the Club.

Despite the income shortfall we have maintained spend on cricket, consolidating our position as an upper quartile investor in our playing squad, when compared to other FCC's.

Donations to assist in the build of the new pavilion contributed an invaluable £71,338 in the year.

## **Balance Sheet**

The balance sheet and cash flow reflect the progress the Club has made in financing the proposed development of the new pavilion.

Cash / bank balances stand at £1,183k, recognising that the majority of loans obtained for the new development have not yet been utilised. A further £1m loan has been obtained from the local council but has not been drawn down at the balance sheet date. In summary, we have secured well in excess of £3m of the funds required to furnish the development of the new pavilion.

Subsequent to the year-end an ECB short term loan of £1m has converted to a capital grant and this has further served to strengthen the balance sheet.

The vast majority of fixed assets spend related to professional costs associated with the new pavilion and the introduction of the new scoreboard.

## **2014**

The 2014 financial results, whilst down on 2013, are still a very good performance which would be the envy of the vast majority of FCC's. The financial performance of the last few years has enabled the Club to embark on an exciting period of growth, which will culminate in the delivery of a new pavilion. The developments to the ground currently being undertaken will require strong financial controls and management to ensure we minimise the risks associated with any venture of this scale. We are confident that the processes already in place, together with strong financial planning, will deliver a facility that all members can be proud of whilst not detracting from any investment in cricket.

**M F Derry**  
**Honorary Treasurer**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET COUNTY CRICKET CLUB LIMITED**

We have audited the financial statements of Somerset County Cricket Club Limited for the year ended 30<sup>th</sup> September 2014 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Club's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Club's members those matters we are required to state to them in an auditor's 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 Club and the Club's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ***Respective responsibilities of the committee of management and auditor***

The Committee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Committee is required to prepare financial statements for each financial year 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 Club and of its excess of income over expenditure for that period. In preparing these financial statements, the Committee is 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Club will continue in business.

The Committee is responsible for maintaining satisfactory systems of internal control and keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Club and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Club and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Committee is responsible for the maintenance and integrity of the corporate and financial information included on the Club's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### ***Scope of the audit of the financial statements***

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Club's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Committee, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

***Basis for qualified opinion on the financial statements***

As described in the accounting policies note, the Club does not provide for depreciation on freehold buildings. This accounting treatment is not in accordance with Financial Reporting Standard 15 "Tangible Fixed Assets". If depreciation had been accounted for, this would have resulted in a charge of £101,582, reducing the surplus for the year and reducing net assets by that amount. It is not possible to quantify the effect on the net book value of freehold buildings if depreciation had been provided on all buildings since their acquisition.

***Qualified opinion on financial statements***

In our opinion, except for the absence of the provision described in the Basis for Qualified Opinion paragraph above, the financial statements:

- give a true and fair view of the state of the Club's affairs as at 30<sup>th</sup> September 2014 and of its income and expenditure for the year then ended and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

***Matters on which we are required to report by exception***

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

- proper books of account have not been kept by the Club in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Club in accordance with the requirements of the legislation;
- the income and expenditure account or the other accounts (if any) to which our report relates, and the balance sheet are not in agreement with the books of account of the Club or;
- we have not obtained all the information and explanations necessary for the purposes of our audit.

*BJ Dixon Walsh Ltd*

BJ Dixon Walsh Limited, Statutory Auditor  
Chartered Accountants  
Rumwell Hall  
Rumwell  
Taunton  
Somerset  
TA4 1EL

Date *5 DECEMBER 2014*

SOMERSET COUNTY CRICKET CLUB LIMITED

ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2014

BALANCE SHEET

	Notes	2014		2013	
		£	£	£	£
<b>Fixed Assets</b>	3	10,405,581		10,091,489	
<b>Less: Grants Received</b>		<u>190,000</u>		<u>190,000</u>	
			10,215,581		9,901,489
 <b>Current Assets</b>					
Stocks		28,704		32,492	
Debtors	4	279,445		331,336	
Cash at Bank and In Hand		<u>1,579,925</u>		<u>1,577,252</u>	
		<u>1,888,074</u>		<u>1,941,080</u>	
 <b>Current Liabilities</b>					
Bank Overdraft		397,000		0	
Other Loans		1,150,000		6,445	
Creditors	5	<u>692,180</u>		<u>992,614</u>	
		<u>2,239,180</u>		<u>999,059</u>	
<b>Net Current Assets/(Liabilities)</b>			-351,106		942,021
			<u>9,864,475</u>		<u>10,843,510</u>
 <b>Liabilities due after more than one year</b>	6		1,703,300		2,918,700
Deferred Tax	7		<u>152,411</u>		<u>126,614</u>
<b>Net Assets</b>			<u>8,008,764</u>		<u>7,798,196</u>
 <b>Members Funds</b>					
General Fund					
Balance Brought Forward			7,793,070		7,402,843
Net Surplus for the year			<u>210,800</u>		<u>390,227</u>
Balance Carried Forward			8,003,870		7,793,070
Share Capital	9		<u>4,894</u>		<u>5,126</u>
			<u>8,008,764</u>		<u>7,798,196</u>

The financial statements were approved on behalf of the committee on 24th November 2014 by

*G. A. Lancel*  
 .....  
 Secretary

*[Signature]*  
 .....  
 Committee Member

*[Signature]*  
 .....  
 Committee Member

SOMERSET COUNTY CRICKET CLUB LIMITED

ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2014

INCOME & EXPENDITURE ACCOUNT

	Notes	2014 £	2013 £
Turnover		<u>5,554,560</u>	<u>5,736,675</u>
<b>Income</b>			
Subscriptions		703,313	741,336
Match Receipts		464,644	727,660
Commercial Income (net)		166,737	72,106
ECB Pool		1,836,172	1,942,344
Catering (net)		368,341	410,713
Car Parking, Rents, Lettings etc		269,508	308,872
Interest Received		17,525	6,017
Miscellaneous Income		<u>64,347</u>	<u>26,822</u>
		<u>3,890,587</u>	<u>4,235,870</u>
<b>Expenditure</b>			
Regional Academy		121,076	82,148
Playing Costs		2,385,207	2,329,439
Ground Maintenance		469,920	475,729
Match Expenses		271,610	291,146
Administration		353,282	353,675
Finance Charges		24,009	121,486
Depreciation and Loss on Plant Disposal		<u>104,038</u>	<u>131,211</u>
		<u>3,729,142</u>	<u>3,784,834</u>
<b>Trading Surplus for the Year</b>		161,445	451,036
Fund Raising and Donations		78,498	17,667
Surplus for the Year before Taxation	1	<u>239,943</u>	<u>468,703</u>
Taxation Charge	2	-29,143	-78,476
<b>Surplus for the Year after Taxation</b>		<u>210,800</u>	<u>390,227</u>
<b>EBITDA</b>		<u>273,432</u>	<u>586,190</u>

There are no recognised Surpluses or Deficits for either year other than the surpluses for the years shown in the above Income and Expenditure Accounts.

There are no acquisitions or discontinued operations in the current or preceding year.



**SOMERSET COUNTY CRICKET CLUB LIMITED**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Commercial</b>		
Sponsorship		
Taunton	60,779	42,071
Main Sponsors	284,500	223,500
Executive Boxes	87,700	88,500
Ground and Other Advertising	99,082	100,409
Scorecards (Deficit)/Surplus	-1,880	2,428
Miscellaneous Income	16,724	18,809
	<u>546,905</u>	<u>475,717</u>
Salaries and Administration Expenses	380,168	403,611
<b>Surplus for the Year</b>	<u>166,737</u>	<u>72,106</u>
<b>Catering</b>		
Sales	1,520,622	1,418,547
Cost of Sales	547,936	494,892
Gross Profit	972,686	923,655
Bar Barrelage Discounts	0	40,000
	<u>972,686</u>	<u>963,655</u>
Salaries	509,742	472,198
Overheads	94,603	80,744
<b>Surplus for the Year</b>	<u>368,341</u>	<u>410,713</u>
<b>Fund Raising, Donations and Pavilion Appeal</b>		
Area Donations	0	11,222
Donations and Legacies	7,160	6,445
<u>Pavilion Donations:</u>		
Taunton Area	11,445	0
Bath and Wiltshire Area	1,590	0
Weston-Super-Mare Area	790	0
Mid Somerset Area	740	0
Bridgwater and West Somerset Area	1,799	0
Devon and Cornwall Area	3,054	0
North Area	2,110	0
Club	49,810	0
	<u>78,498</u>	<u>17,667</u>
<b>Regional Academy</b>		
Salaries and Administration Expenses	121,076	82,148
<b>Net Cost for the Year</b>	<u>121,076</u>	<u>82,148</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

	2014	2013
	£	£
<b>Playing Costs</b>		
Salaries and Associated Costs	2,175,519	2,156,319
Clothing	4,358	9,199
Medical and Physio	72,944	46,868
Hotels and Travelling	99,399	89,759
Hotels and Travelling 2XI and Trialists	32,987	27,294
	<u>2,385,207</u>	<u>2,329,439</u>
<b>Ground Maintenance</b>		
Salaries and Expenses	87,102	83,170
Electricity, Gas and Water	115,286	107,437
Insurances	43,992	44,056
Rates	34,785	33,909
Repairs and Upkeep	188,755	207,157
	<u>469,920</u>	<u>475,729</u>
<b>Match Expenses</b>		
Seating and Tentage	12,937	19,510
Rent and Preparation	101,637	89,423
Gatemen	97,675	114,630
Catering	57,905	67,066
Uniforms	1,456	517
	<u>271,610</u>	<u>291,146</u>
<b>Administration</b>		
Salaries, Pensions, Welfare and Training	283,675	271,565
Audit and Professional Charges	16,947	22,271
Donations Payable	2,651	4,700
Postage, Printing and Stationery	7,263	9,583
Telephone	11,481	10,676
Bad Debts Written Off	0	2,970
General Expenses	31,265	31,910
	<u>353,282</u>	<u>353,675</u>
<b>Finance Charges</b>		
Charges Payable	11,631	47,443
Interest Payable	12,378	74,043
	<u>24,009</u>	<u>121,486</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2014**

<b>1. The surplus for the year is stated after charging:</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Staff salaries and wages	3,195,336	3,100,366
Auditors remuneration	7,550	8,750
Bank interest	56,276	47,699
Hire purchase interest	3,642	10,151
Interest on other loans	<u>22,946</u>	<u>16,193</u>

**2. Taxation**

**Analysis of tax charge**

The tax charge on the trading surplus for the year was as follows:

Current tax:		
UK corporation tax	3,346	40,485
Deferred tax:		
Origination and reversal of timing differences	25,797	37,991
Tax on surplus on trading activities	<u>29,143</u>	<u>78,476</u>

**3. Fixed Assets**

	<b>Plant &amp; Fixtures £</b>	<b>Freehold Land &amp; Buildings £</b>	<b>Total £</b>
<b>Cost</b>			
Brought Forward at beginning of Year	647,517	9,885,410	10,532,927
Additions	165,986	272,810	438,796
Impairment	0	-9,750	-9,750
Disposals	-193,758	0	-193,758
Carried Forward at end of Year	<u>619,745</u>	<u>10,148,470</u>	<u>10,768,215</u>
<b>Depreciation</b>			
Brought Forward at beginning of Year	441,438	0	441,438
Additions	94,288	0	94,288
Disposals	-173,092	0	-173,092
Carried Forward at end of Year	<u>362,634</u>	<u>0</u>	<u>362,634</u>
<b>Net Book Value</b>			
As at end of Year	<u>257,111</u>	<u>10,148,470</u>	<u>10,405,581</u>
As at beginning of Year	<u>206,079</u>	<u>9,885,410</u>	<u>10,091,489</u>

**4. Debtors**

Trade Debtors	105,881	152,776
Other Debtors and Prepayments	33,564	41,990
ECB Pool	140,000	136,570
	<u>279,445</u>	<u>331,336</u>

**SOMERSET COUNTY CRICKET CLUB LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2014**

	2014	2013
	£	£
<b>5. Creditors</b>		
Trade Creditors	67,731	112,632
Other Creditors	67,200	92,900
Accruals and Deferred Income	264,331	339,211
Social Security and Other Taxes	288,673	389,088
Taxation	4,245	40,438
Hire Purchase	0	18,345
	<u>692,180</u>	<u>992,614</u>
<b>6. Liabilities Due After More Than One Year</b>		
Bank Loans	1,674,600	1,824,600
ECB	0	1,000,000
Taunton Deane Borough Council	28,700	94,100
	<u>1,703,300</u>	<u>2,918,700</u>
Bank loans and overdrafts are secured by a first charge on the land and buildings		
<b>7. Provisions for Liabilities and Charges</b>		
Deferred Taxation	<u>152,411</u>	<u>126,614</u>
Balance at 1 October 2013	126,614	
Reversal of timing differences	25,797	
Balance at 30 September 2014	<u>152,411</u>	
<b>8. Capital Commitments</b>		
At the end of the financial year £3.875M had been committed to the building of a new pavilion.		
<b>9. Share Capital</b>		
4,894 Ordinary shares of £1 each	<u>4,894</u>	<u>5,126</u>

## **ACCOUNTING POLICIES**

**a) Accounting Convention.** The accounts are prepared under the historical cost convention.

**b) Depreciation.** Depreciation is provided on all tangible fixed assets other than freehold land and buildings, at rates calculated to write off the costs of the assets evenly over their expected useful lives as follows:

Plant and Fixtures - Over 5 years

**c) Stocks.** Stocks are valued at lower of cost and net realisable value.

**d) Deferred Taxation.** Provision is made at current rates for taxation deferred in respect of all material timing differences.

**e) Recognition of Income.** Membership subscriptions received in respect of the year ended 31st December 2014 and ECB distributions scheduled for receipt within the year ended 31st January 2015, are considered to relate to the 2014 Season and have been included in the accounts consistent with the policy of previous years. All other income is recognised in the period to which it accrues.

**f) Grants and Donations.** Grants and donations received towards the cost of specific items of capital expenditure have been credited in the Balance Sheet against the cost of the Asset.

**g) Share Capital.** Share Capital represents the number of qualifying members with a share allocated at £1 nominal value. As members join and leave the share capital is adjusted for the movement in effective share ownership.

**h) Fixed Assets.** All fixed assets are initially recorded at cost.

**i) Hire Purchase Agreements.** Assets obtained under hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their estimated useful lives. The interest element of these obligations is charged to the Income and Expenditure account over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to the Income and Expenditure account on a straight line basis over the period of the lease.

SOMERSET COUNTY CRICKET CLUB LIMITED

ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2014

CASHFLOW STATEMENT

	2014		2013	
	£	£	£	£
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>				
Surplus before taxation		239,943		468,703
Depreciation charges		104,038		110,545
Loss/(Profit) on disposal of fixed assets		0		20,666
Decrease/(Increase) in stock		3,788		-3,817
Decrease/(Increase) in debtors		51,891		170,456
(Decrease) in creditors		-225,230		-21,656
Services In Kind		-65,400		-81,750
<b>Net cash inflow from operating activities</b>		<u>109,030</u>		<u>663,147</u>

Cashflow Statement

<b>Net cash inflow from operating activities</b>	109,030	663,147
<b>Taxation (Paid)</b>	-39,539	-26,047
<b>Capital Expenditure</b>		
Payments to acquire tangible fixed assets	-438,796	-254,952
Receipts from sale of fixed assets	0	0
Receipt of grants	0	0
	<u>-369,305</u>	<u>382,148</u>

Financing

(Decrease) in ordinary share capital	-232	-419
Loans Advanced	0	2,824,600
Loan Repayments	<u>-24,790</u>	<u>-1,570,995</u>
	-25,022	1,253,186

<b>Increase/(Decrease) in cash at bank, in hand and on deposit</b>	<u>-394,327</u>	<u>1,635,334</u>
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Reconciliation of net cash flow to movement in net debt

(Decrease)/Increase in cash in period	-394,327	1,635,334
Loan Repayments	24,790	1,570,995
Services In Kind in lieu of Loan Repayments	65,400	81,750
Loan Advances	0	-2,824,600
<b>Change in net debt</b>	<u>-304,137</u>	<u>463,479</u>
<b>Net debt at 1.10.13</b>	<u>-1,383,940</u>	<u>-1,847,419</u>
<b>Net debt at 30.9.14</b>	<u>-1,688,077</u>	<u>-1,383,940</u>

Analysis of changes in net debt

	At 1 Oct 2013	Cash Flows	Other Changes	At 30 Sept 2014
	£	£	£	£
Cash in hand, at bank and on deposit	1,577,252	-394,327		1,182,925
Debt due within one year	-42,492	-1,125,210		-1,167,702
Debt due after one year	-2,918,700	1,150,000	65,400	-1,703,300
<b>Total</b>	<u>-1,383,940</u>	<u>-369,537</u>	<u>65,400</u>	<u>-1,688,077</u>