

**Report of the Directors and
Financial Statements for the Year Ended 31 January 2004**

for

**Carlisle and Cumbria United Independent
Supporters Society Limited**

T/A

**Carlisle and Cumbria United Independent
Supporters Trust
(CCUIST)**

**Carlisle and Cumbria United Independent
Supporters Society Limited
T/A Carlisle and Cumbria United Independent
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(CCUIST)**

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for the Year Ended 31 January 2004**

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**Carlisle and Cumbria United Independent
Supporters Society Limited
T/A Carlisle and Cumbria United Independent
Supporters Trust
(CCUIST)**

**Society Information
for the Year Ended 31 January 2004**

BOARD: K Rowley (Chair)
A Steel BA PGD/CPE(Law)
E Martlew MP
Lord Clark of Windermere
R Young (Vice Chair)
D Nicholson ACIS
N Steel
J Boyle
A Woodcock
M Scott (Secretary)
M Hudson
M Horne
C McMellon

TREASURER: P Harrington ACA

REGISTERED OFFICE: Warwick House
Allenbrooke Road
Rosehill
CARLISLE
Cumbria
CA1 2UT

IPS REGISTERED NUMBER: 29220R

AUDITORS: Saint & Co
Chartered Accountants and Registered Auditor
Sterling House
Wavell Drive
Rosehill
CARLISLE
CA1 2SA

BANKERS: The Cooperative Bank plc
King Valley
Yew Street
STOCKPORT
SK4 2JU

Bank of Scotland
59 Bath Street
GLASGOW
G2 2DH

**Carlisle and Cumbria United Independent
Supporters Society Limited
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(CCUIST)**

**Report of the Board
for the Year Ended 31 January 2004**

The directors present their report with the financial statements of the company for the year ended 31 January 2004.

AIMS AND OBJECTIVES OF THE SOCIETY

The trust seeks to increase the influence of the local community in Carlisle United with the objective of achieving the use of supporters' funds to purchase shares and the establishment of a strong voice for supporters on the board of directors through the election of at least one supporters' director.

REVIEW OF THE ACTIVITIES AND ACHIEVEMENTS OF THE SOCIETY

In the period under review the society achieved the purchase of 20% of the shares in CUFC Holdings Limited, the company that owns Carlisle United. The trust also obtained representation on the board of Carlisle United (1921) Limited through the appointment of Alan Steel as supporters director.

The society has paid £137,500 of the £400,000 required to pay for the first 20% of the shares leaving £262,500 to be paid within the next three years. If the trust fail to pay the amount due then the shareholding will reduce pro-rata to the amount paid.

BOARD MEMBERSHIP

The board members during the year under review were:

Elected

A Steel
K Rowley (Chair)
R Young (Vice Chair)
B Hall Resigned 7/5/2004
D Nicholson
A Woodcock
J Boyle
N Steel

Co-opted

E Martlew MP
Lord Clark of Windermere
M Hudson
A Sheridan Resigned 7/2/2004
M Scott (Secretary)
M Horne Appointed 13/9/2003
C McMellon Appointed 13/9/2003

STATEMENT OF BOARD RESPONSIBILITIES

Relevant 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 society and of the profit or loss of the society 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The board are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to 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.

AUDITORS

The auditors, Saint & Co, will be proposed for re-appointment at the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


.....
M Scott - Secretary

Date: 18 June 2004

**Carlisle and Cumbria United Independent
Supporters Society Limited
T/A Carlisle and Cumbria United Independent
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**Report of the Independent Auditors to the Members of
Carlisle and Cumbria United Independent
Supporters Society Limited**

We have audited the financial statements of Carlisle and Cumbria United Independent Supporters Society Limited for the year ended 31 January 2004 on pages five to nine. These financial statements have been prepared in accordance with the historical cost convention and the accounting policies set out therein.

This report is made solely to the society's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the society'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 society and the society'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 auditors

The boards responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Board Responsibilities.

We have been appointed as auditors under section 9 of the Friendly and Industrial and Provident Societies Act 1968 and report in accordance with section 9 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards. We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968. We also report to you if, in our opinion, the Boards report is not consistent with the financial statements, if the society has not kept proper accounting records, if a satisfactory system of internal control has not been established and maintained, if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the society'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. However the evidence available to us was limited because the latest audited accounts available in respect of CUFC Holdings Limited are for the year ended 30 June 2002. In the absence of more recent audited financial statements for CUFC Holdings Limited we have been unable to obtain adequate assurance as to the recoverable value of the Trust's investment in that company.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Carlisle and Cumbria United Independent
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**Report of the Independent Auditors to the Members of
Carlisle and Cumbria United Independent Supporters Society Limited**

Opinion: Disclaimer On View Given By Financial Statements

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2004. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to the value of the investment in CUFC Holdings Limited:

We have not obtained all the information and explanations that we considered necessary for the purpose of our audit.



Saint & Co
Chartered Accountants and Registered Auditors
Sterling House
Wavell Drive
Rosehill
CARLISLE
CA1 2SA

Date: ... 22 June, 2004

**Carlisle and Cumbria United Independent
Supporters Society Limited
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(CCUIST)**

**Income and Expenditure Account
for the Year Ended 31 January 2004**

	31.1.04		31.1.03	
	£	£	£	£
Income:				
Members Subscriptions	4,001		4,408	
Merchandise Sales	2,500		1,382	
Event Income	4,167		8,618	
Donations & Sponsorship	65		194	
Interest Received	630		2,700	
		11,363		17,302
Expenditure:				
Merchandise Purchases	2,500		1,467	
Event Costs	3,152		5,423	
Membership Costs	276		546	
Donation made	250		-	
Meeting Costs	570		271	
Printing, Stationery & Advertising	1,714		2,933	
Insurance	150		150	
Audit Fee	1,410		1,300	
Bank Charges	689		812	
Taxation (Note 2)	-		44	
Legal fees	609		498	
Bad debts	150		210	
Telephone	267		100	
		11,737		13,754
EXCESS OF EXPENDITURE OVER INCOME/ (INCOME OVER EXPENDITURE)		<u>£(374)</u>		<u>£3,548</u>

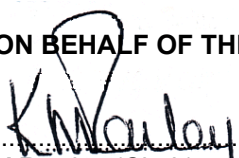
**Carlisle and Cumbria United Independent
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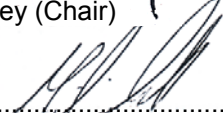
**Balance Sheet
31 January 2004**

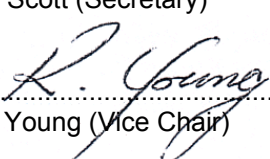
		31.1.04		31.1.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	3		400,000		-
CURRENT ASSETS:					
Stocks		-		2,500	
Debtors	4	364		794	
Cash at bank	5	<u>14,321</u>		<u>109,805</u>	
		14,685		113,099	
CREDITORS: Amounts falling due within one year					
	6	<u>11,082</u>		<u>108,382</u>	
NET CURRENT ASSETS:					
			<u>3,603</u>		<u>4,717</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:					
			403,603		4,717
CREDITORS: Amounts falling due after more than one year					
	7		<u>264,547</u>		<u>-</u>
			<u>£139,056</u>		<u>£4,717</u>
CAPITAL AND RESERVES:					
Called up share capital	8		656		943
Capital reserve	9		135,000		-
Profit and loss account	10		<u>3,400</u>		<u>3,774</u>
			<u>£139,056</u>		<u>£4,717</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


K Rowley (Chair)


M Scott (Secretary)


R Young (Vice Chair)

Approved by the Board on 18 June 2002

The notes form part of these financial statements

Carlisle and Cumbria United Independent Supporters Society Limited
T/A Carlisle and Cumbria United Independent Supporters Trust
(CCUIST)

Notes to the Financial Statements
for the Year Ended 31 January 2004

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Membership Income

Membership runs from 1 June to 31 May. As such amounts are apportioned during the year and the relevant portion is included in Accruals & deferred income.

Merchandise Sales

Merchandise sales represent the sale of shirts, caps, mugs, pens etc.

Donations & Sponsorship

Donations represent one off receipts from companies and individuals for the running of the society. Donations and sponsorship are recognized when received.

Event Income

This represents the gross income from the Golf day held in 2003. Event income is recognized when the event takes place.

Stocks

The society no longer holds stock of merchandise as it was disposed of during the year.

2. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 January 2004 (2003 - £44)

3. **FIXED ASSET INVESTMENT**

	£	
COST:		
Additions		<u>400,000</u>
At 31 January 2004		<u>400,000</u>
NET BOOK VALUE:		
At 31 January 2004		<u>400,000</u>
	31.1.04	31.1.03
	£	£
Unlisted investments	<u>400,000</u>	<u>-</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

CUFC Holdings Limited

Country of incorporation: England & Wales

Nature of business: Holding company

Class of shares:	%
Ordinary	holding 20.00 (6.875% paid up at 31.1.04)

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**Notes to the Financial Statements
for the Year Ended 31 January 2004**

**4. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.04 £	31.1.03 £
Event debtors	100	140
Corporation Tax Recoverable	124	313
Prepayments	<u>140</u>	<u>341</u>
	<u>364</u>	<u>794</u>

5. CASH AT BANK

	31.1.04 £	31.1.03 £
Co-operative Bank Current Account	7,907	5,719
Bank of Scotland Share Fund Account	<u>6,414</u>	<u>104,086</u>
	<u>14,321</u>	<u>108,805</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.04 £	31.1.03 £
Trade creditors	46	8
Share Fund	6,414	104,086
Accruals and deferred income	<u>4,622</u>	<u>4,288</u>
	<u>11,082</u>	<u>108,382</u>

**7. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.1.04 £	31.1.03 £
Amount due for share purchase	262,500	-
Deferred income	<u>2,047</u>	<u>-</u>
	<u>264,547</u>	<u>-</u>

Carlisle and Cumbria United Independent Supporters Society Limited
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(CCUIST)

Notes to the Financial Statements
for the Year Ended 31 January 2004

8. SHARE CAPITAL

Issued and Paid	31.1.04	31.1.03
Ordinary Shares of £1 each	£	£
Brought forward	943	931
New shares issued	88	115
Lapsed members shares transferred to profit and loss account	(375)	(103)
	<u>656</u>	<u>943</u>

The society had 656 members at 31 January 2004 (943 –2003). Each member has contributed £1 in share capital. If a member ceases to renew their membership their shareholding will be cancelled. Their share of £1 would then be transferred to membership subscriptions. There were 88 new members in the year with 375 memberships ceasing.

9. CAPITAL RESERVE

	31.1.04	31.1.03
	£	£
Members Share fund contributions	<u>135,000</u>	<u>-</u>

10. PROFIT & LOSS ACCOUNT RESERVE

	31.1.04	31.1.03
	£	£
Balance brought forward	3,774	226
Transfer to reserves	<u>(374)</u>	<u>3,548</u>
	<u>3,400</u>	<u>3,744</u>

11. SHARE FUND

The society holds on behalf of its members £6,414 of contributions towards the payment for the shares purchased in CUFC Holdings Limited. These contributions are not repayable as the aims of the society and the basis of the share fund have been achieved.

12. SHARE PURCHASE

During the year the society negotiated and completed the purchase of 20% of the share capital of CUFC Holdings Limited, the holding company of Carlisle United Association Football Club (1921) Limited.

Due to the administration of the club, the shares were purchased in the holding company. Due to the change in the stated purpose of the share fund, the membership were consulted on this course of action, and only the contributions of those members whom agreed to this purchase were used. The remaining contributions, which at 31 January 2004 amounted to £346, are held in the separate share fund account until a time when shares can be purchased in Carlisle United Association Football Club (1921) Limited.

The purchase price for the shares was £400,000 (including legal costs) of which £137,500 has been paid. The society has three years in which to raise the remaining £262,500. If the trust fails to pay the amount due the shareholding will be reduced pro rata to the amount paid.

This page does not form part of the statutory financial statements