

Registration number: 00396956

# Sheffield United Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2016

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# Sheffield United Limited

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## **Sheffield United Limited**

### **Company Information**

<b>Directors</b>	K C McCabe S R McCabe S C McCabe J J Tutton
<b>Company secretary</b>	Esplanade Secretarial Services Limited
<b>Registered office</b>	SUFC Bramall Lane Sheffield S2 4SU
<b>Auditors</b>	Mazars LLP Mazars House Gelder Road Gildersome Leeds LS27 7JN

## Sheffield United Limited

### Directors' Report for the Year Ended 30 June 2016

The Directors present their report and the financial statements for the year ended 30 June 2016.

#### Directors of the Company

The directors who held office during the year were as follows:

K C McCabe

S R McCabe

S C McCabe

J J Tutton

#### Dividends

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 30 June 2016.

#### Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### Appointment of Auditors

Mazars LLP were appointed statutory auditors during the period and continue in office in accordance with section 487(2) Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board on 14 November 2016 and signed on its behalf by:



.....  
Jeremy Tutton

for and on behalf of Esplanade Secretarial Services Limited  
Company secretary

## **Sheffield United Limited**

### **Statement of Directors' Responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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.

## **Sheffield United Limited**

### **Independent Auditor's Report to the members of Sheffield United Limited**

We have audited the financial statements of Sheffield United Limited for the year ended 30 June 2016 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### **Respective responsibilities of Directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report the financial year for which the financial statements are prepared is consistent with the financial statements.

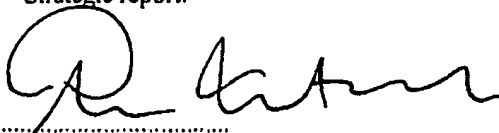
## Sheffield United Limited

### Independent Auditor's Report to the members of Sheffield United Limited

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies exemption from the requirement to prepare a Strategic report.



Richard Metcalfe (Senior Statutory Auditor)  
For and on behalf of Mazars LLP  
Chartered Accountants & Statutory Auditor

Mazars House  
Gelderd Road  
Gildersome  
Leeds  
LS27 7JN

Date: 14 November 2016

## Sheffield United Limited

### Profit and Loss Account for the Year Ended 30 June 2016

	Note	2016 £	2015 £
Turnover	3	310,301	310,000
Cost of sales		<u>-</u>	<u>(1,325)</u>
Gross profit		310,301	308,675
Administrative expenses		<u>(4,466,078)</u>	<u>(273,151)</u>
Operating (loss)/profit	4	(4,155,777)	35,524
Interest receivable from group undertakings	5	136,465	173,054
Interest payable and similar charges	6	<u>(2,502,866)</u>	<u>(2,287,525)</u>
Loss before tax		<u>(6,522,178)</u>	<u>(2,078,947)</u>
Loss for the financial year		<u>(6,522,178)</u>	<u>(2,078,947)</u>

The above results were derived from continuing operations.



## Sheffield United Limited

### Statement of Comprehensive Income for the Year Ended 30 June 2016

	Note	2016 £	2015 £
Loss for the year		<u>(6,522,178)</u>	<u>(2,078,947)</u>
Total comprehensive loss for the year		<u><u>(6,522,178)</u></u>	<u><u>(2,078,947)</u></u>

**Sheffield United Limited**

**(Registration number: 00396956)  
Balance Sheet as at 30 June 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	11	23,476,926	23,175,343
Investments	12	<u>1</u>	<u>1</u>
		<u>23,476,927</u>	<u>23,175,344</u>
<b>Current assets</b>			
Debtors	13	3,049,954	3,056,705
Cash at bank and in hand	14	<u>46,536</u>	<u>29,249</u>
		3,096,490	3,085,954
<b>Creditors: Amounts falling due within one year</b>	15	<u>(34,782,754)</u>	<u>(28,128,911)</u>
<b>Net current liabilities</b>		<u>(31,686,264)</u>	<u>(25,042,957)</u>
<b>Total assets less current liabilities</b>		(8,209,337)	(1,867,613)
<b>Creditors: Amounts falling due after more than one year</b>	15	<u>(180,454)</u>	-
<b>Net liabilities</b>		<u>(8,389,791)</u>	<u>(1,867,613)</u>
<b>Capital and reserves</b>			
Called up share capital	16	8,452,670	8,452,670
Share premium reserve		247,500	247,500
Profit and loss account		<u>(17,089,961)</u>	<u>(10,567,783)</u>
<b>Total equity</b>		<u>(8,389,791)</u>	<u>(1,867,613)</u>

Approved and authorised by the Board on 14 November 2016 and signed on its behalf by:



.....  
J J Tutton  
Director

**Sheffield United Limited**

**Statement of Changes in Equity for the Year Ended 30 June 2016**

	Share capital £	Share premium £	Profit and loss account (as restated) £	Total £
At 1 July 2015	8,452,670	247,500	(10,567,783)	(1,867,613)
Loss for the year	-	-	(6,522,178)	(6,522,178)
Total comprehensive loss	-	-	(6,522,178)	(6,522,178)
At 30 June 2016	<u>8,452,670</u>	<u>247,500</u>	<u>(17,089,961)</u>	<u>(8,389,791)</u>
	Share capital £	Share premium £	Profit and loss account (as restated) £	Total £
At 1 July 2014	8,452,670	247,500	(8,488,836)	211,334
Loss for the year	-	-	(2,078,947)	(2,078,947)
Total comprehensive loss	-	-	(2,078,947)	(2,078,947)
At 30 June 2015	<u>8,452,670</u>	<u>247,500</u>	<u>(10,567,783)</u>	<u>(1,867,613)</u>

The notes on pages 10 to 23 form an integral part of these financial statements.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

SUFC  
Bramall Lane  
Sheffield  
S2 4SU

The principal place of business is:

Ground Floor Right Hand Side  
Building 3150  
Century Way  
Thorpe Park  
Leeds  
LS15 8ZB

The principal activity of the company is property ownership and holding an interest in Sheffield United Football Club.

These financial statements were authorised for issue by the Board on 14 November 2016.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### Summary of disclosure exemptions

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, includes the Company's cash flows in its own consolidated financial statements.

The company has taken the exemption under FRS102 paragraph 1.12(c), from disclosing the carrying value of financial instruments not measured at fair value on the basis that it is a qualifying entity and its ultimate parent company, Scarborough Group International Limited, discloses the carrying value of financial instruments in its own consolidated financial statements.

##### Group accounts not prepared

The company has taken advantage of the exemption with Chapter 4 of Part 15 of the Companies Act 2006 not to prepare group accounts. Accordingly, these accounts present information about the as an individual undertaking and not about its group.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### Going concern

These financial statements have been prepared on a going concern basis as the immediate parent company has confirmed that it will continue to provide financial support for the foreseeable future to the company and will not seek repayment of amounts due from the company unless it is able to do so.

#### Judgements

##### (i) Impairment of investments

The carrying value of the Company's investments in subsidiaries is affected by market conditions which may impact on the value of the assets of those subsidiaries together with the trading performance of those subsidiaries. During the preparation of these financial statements, key management have given consideration to the carrying value of the investments in subsidiaries to determine if any impairment provision is required. When making this judgement, key management have referred to a mixture of independent, external property valuation reports and internally prepared management accounts for the subsidiaries.

##### (ii) Investment property

Freehold and leasehold properties held as investment properties are stated at fair value. Fair value gains or losses are recognised in the profit and loss account. Determining the fair value requires the Directors to apply judgement regarding the condition of the property and the likely impact of external factors which may affect the value of the property.

##### (iii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers the ageing profile of debtors, historical experience and knowledge of any other specific factors affecting a debtor's ability to pay.

#### Revenue recognition

Turnover represents amounts invoiced, net of value added tax, in respect of rental income from let properties, management fees and proceeds from sale of properties. Rental income accrues on a daily basis.

#### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

#### Investment property

Investment properties are initially measured at cost which comprises the purchase price and any directly attributable expenditure.

Investment properties are subsequently measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

#### Investments

Investments in subsidiary undertakings are held at cost less any provision for impairment. Investments in joint ventures and associates are held at cost less any provision for impairment.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for rent billed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Financial instruments**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price. Most debt instruments are subsequently measured at amortised cost using the effective interest rate method. Short term payables and receivables are measured at the invoice price.

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price. Short term payables are measured at the invoice price.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016	2015
	£	£
Rental income	<u>310,301</u>	<u>310,000</u>

#### 4 Operating loss

Arrived at after charging/(crediting)

	2016	2015
	£	£
Provision against joint venture investment	4,000,000	-
Provision against amount due from group undertaking	<u>147,007</u>	<u>-</u>

#### 5 Other interest receivable and similar income

	2016	2015
	£	£
Interest receivable from group undertakings	<u>136,465</u>	<u>173,054</u>

#### 6 Interest payable and similar charges

	2016	2015
	£	£
Interest payable to group undertakings	2,496,326	2,287,525
Interest on other loans	6,540	-
	<u>2,502,866</u>	<u>2,287,525</u>

#### 7 Staff costs

The average number of employees (excluding directors) during the year was nil (2015: nil).

#### 8 Directors' remuneration

No emoluments were paid to the directors during the year (2015: £nil).

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 9 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	6,500	7,000
<b>Other fees to auditors</b>		
All other non-audit services	3,150	4,500

Auditor's remuneration, in respect of audit services includes the fee payable on behalf of John Street Developments Limited of £2,000 (2015: £2,000).

#### 10 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
<b>Current taxation</b>	-	-

The tax on loss before tax for the year is different from the standard rate of corporation tax the UK of 20% (2015: 20%).

The differences are reconciled below:

	2016 £	2015 £
Loss before tax	(6,522,178)	(2,078,947)
Corporation tax at standard rate	(1,304,436)	(415,789)
Effect of expense not deductible in determining taxable profit (tax loss)	732,045	-
Tax increase (decrease) from effect of unrelieved tax losses carried forward	572,391	415,789
Total tax charge/(credit)	-	-



## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 11 Tangible assets

	Investment property £	Total £
<b>Cost</b>		
At 1 July 2015	23,175,343	23,175,343
Additions	<u>301,583</u>	<u>301,583</u>
At 30 June 2016	<u>23,476,926</u>	<u>23,476,926</u>
<b>Carrying amount</b>		
At 30 June 2016	<u>23,476,926</u>	<u>23,476,926</u>
At 30 June 2015	<u>23,175,343</u>	<u>23,175,343</u>

The directors have considered the valuation of the property at 30 June 2016 and deemed that no fair value adjustment is required. In reaching this conclusion the directors made reference to a previous desktop valuation which they had commissioned along with relevant market factors which might have subsequently impacted on the value.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 12 Investments in subsidiaries, joint ventures and associates

	2016 £	2015 £
Investments in subsidiaries	1	1
<b>Subsidiaries</b>	<u>1</u>	<u>1</u>
<b>Cost or valuation</b>		£
At 1 July 2015		1,001
<b>Provision</b>		
At 1 July 2015		<u>1,000</u>
<b>Carrying amount</b>		
At 30 June 2016		<u>1</u>
At 30 June 2015		<u>1</u>
<b>Joint ventures</b>		£
<b>Cost</b>		
At 1 July 2015		37,495,641
Additions		<u>4,000,000</u>
At 30 June 2016		<u>41,495,641</u>
<b>Provision</b>		
At 1 July 2015		37,495,641
Provision		<u>4,000,000</u>
At 30 June 2016		<u>41,495,641</u>
<b>Carrying amount</b>		
At 30 June 2016		<u>-</u>
At 30 June 2015		<u>-</u>

During the year, the company subscribed for £4M of new shares in Blades Leisure Limited to help fund losses made by Sheffield United Football Club. As the subscription for shares was to help finance losses, the directors considered it appropriate to immediately impair the new investment.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
<b>Subsidiary undertakings</b>				
John Street Developments Limited	England and Wales	Ordinary	100%	100%
David Conrad (Sales) Limited	England and Wales	Ordinary	100%	100%
Cranbourne Limited	England and Wales	ordinary	100%	100%
<b>Joint ventures</b>				
Blades Leisure Limited	England and Wales	Ordinary	50%	50%

The principal activity of John Street Developments Limited is property development

The principal activity of David Conrad (Sales) Limited is that of a dormant company

The principal activity of Cranbourne Limited is that of a dormant company

The principal activity of Blades Leisure Limited is is that of a holding company

#### 13 Debtors

	Note	2016 £	2015 £
Trade debtors		31,000	-
Amounts owed by group undertakings	21	3,014,891	3,027,973
Other debtors		4,063	3,200
Accrued income		-	25,532
Total current trade and other debtors		<u>3,049,954</u>	<u>3,056,705</u>

#### 14 Cash and cash equivalents

	2016 £	2015 £
Cash at bank	<u>46,536</u>	<u>29,249</u>

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 15 Creditors

	Note	2016 £	2015 £
<b>Due within one year</b>			
Loans and borrowings	17	24,759	-
Trade creditors		41,057	100,190
Amounts due to related parties	21	21,172,645	19,178,802
Other creditors		535,984	520,925
Accrued expenses		36,597	41,363
Amounts owed to group undertakings		12,945,879	8,287,631
Deferred income		25,833	-
		34,782,754	28,128,911
<b>Due after one year</b>			
Loans and borrowings	17	180,454	-

#### 16 Share capital

##### Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £0.001 each	452,670,114	452,670	452,670,114	452,670
Preference shares of £1 each	8,000,000	8,000,000	8,000,000	8,000,000
	460,670,114	8,452,670	460,670,114	8,452,670

#### 17 Loans and borrowings

		<b>2016</b>	
		£	
<b>Non-current loans and borrowings</b>			
Finance lease liabilities		180,454	
		<b>2016</b>	
		£	
<b>Current loans and borrowings</b>			
Finance lease liabilities		24,759	

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### 18 Obligations under leases and hire purchase contracts

##### Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	24,759	-
Later than one year and not later than five years	122,007	-
Later than five years	58,447	-
	<u>205,213</u>	<u>-</u>

#### 19 Commitments

##### Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2015: £Nil).

#### 20 Contingent liabilities

An amount of £473,655 (2015: £555,439) is payable on demand to Sheffield United Football Club Limited in respect of the Football League Limited Pension and Life Assurance Scheme, there is a claw back provision on the sale of players and therefore it is highly unlikely that this amount will become payable.

#### 21 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

##### Scarborough Luxembourg Sarl

(A company in which K C McCabe, S R McCabe and S C McCabe are directors)

A loan on which interest is charged at 10%, the amount charged during the year was £1,993,843 (2015: £1,803,752). At the balance sheet date the amount due to Scarborough Luxembourg Sarl was £21,172,645 (2015: £19,178,802).

##### Scarborough United Group Limited

(Immediate parent owning 85% of the company)

A loan on which interest is charged at 4% plus base rate, the amount charged during the year was £445,276 (2015: £428,789). At the balance sheet date the amount due to Scarborough United Group Limited was £11,907,341 (2015: £7,490,777).

##### Scarborough Management Limited

(member of wider group)

During the year the company incurred management fees of £255,420 (2015: £259,675) from Scarborough Management Limited, included within accruals at the balance sheet date the amount due to Scarborough Management Limited was £20,751 (2015: £21,161) and within trade creditors was £nil (2015: £nil). Scarborough Management Limited paid costs on behalf of Sheffield United Limited, interest is charged on this loan at 4% over base rate, interest charged during the year was £42,149 (2015: £40,148). At the balance sheet date the amount due to Scarborough Management Limited was £1,038,203 (2015: £796,853).

## **Sheffield United Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2016**

#### **22 Parent and ultimate parent undertaking**

The company is controlled by Scarborough United Group Limited which owns 85% of the company. The ultimate parent undertaking is Scarborough Group International Limited.

Scarborough Group International Limited is also the parent undertaking of the largest and smallest group for which group accounts are to be drawn up and of which the company is a member. Copies of the accounts of Scarborough Group International Limited can be obtained from; Lomond Court, Castle Business Park, Stirling, FK9 4TU.

The ultimate controlling party is K C McCabe.

#### **23 Transition to FRS 102**

This is the first year that the Company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 30 June 2015. The date of transition to FRS 102 was 1 July 2014. Set out below are the changes in accounting policies together with a reconciliation of the differences between UK GAAP as previously reported and FRS 102 in respect of the profit and loss account for the financial year ended 30 June 2015 and the balance sheet as at 1 July 2014 and 30 June 2015.

Previously under UK GAAP the company treated its property as a tangible fixed asset. In accordance with FRS102 this was reclassified as an investment property at the date of transition. The directors considered that the fair value of the property at that date was equal to the carrying value of the property at 1 July 2014 and that no fair value adjustment was required at 30 June 2015. As a consequence of the reclassification, subsequent depreciation has been reversed out resulting in a credit of £486,239 being recognised in the profit and loss account for the year ended 30 June 2015.

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### Balance Sheet at 1 July 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	23,167,025	(23,167,025)	-	-
Investment property	-	23,167,025	-	23,167,025
Investments	1	-	-	1
	<u>23,167,026</u>	<u>-</u>	<u>-</u>	<u>23,167,026</u>
<b>Current assets</b>				
Debtors	2,935,066	-	-	2,935,066
Cash at bank and in hand	53,539	-	-	53,539
	2,988,605	-	-	2,988,605
Creditors: Amounts falling due within one year	(25,944,297)	-	-	(25,944,297)
Net current liabilities	<u>(22,955,692)</u>	<u>-</u>	<u>-</u>	<u>(22,955,692)</u>
Net assets	<u>211,334</u>	<u>-</u>	<u>-</u>	<u>211,334</u>
<b>Capital and reserves</b>				
Called up share capital	8,452,670	-	-	8,452,670
Share premium reserve	247,500	-	-	247,500
Profit and loss account	<u>(8,488,836)</u>	<u>-</u>	<u>-</u>	<u>(8,488,836)</u>
Total equity	<u>211,334</u>	<u>-</u>	<u>-</u>	<u>211,334</u>

## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### Balance Sheet at 30 June 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	22,689,104	(23,175,343)	486,239	-
Investment property	-	23,175,343	-	23,175,343
Investments	1	-	-	1
	<u>22,689,105</u>	<u>-</u>	<u>486,239</u>	<u>23,175,344</u>
<b>Current assets</b>				
Debtors	3,056,705	-	-	3,056,705
Cash at bank and in hand	29,249	-	-	29,249
	3,085,954	-	-	3,085,954
Creditors: Amounts falling due within one year	<u>(28,128,911)</u>	<u>-</u>	<u>-</u>	<u>(28,128,911)</u>
Net current liabilities	<u>(25,042,957)</u>	<u>-</u>	<u>-</u>	<u>(25,042,957)</u>
Net (liabilities)/assets	<u>(2,353,852)</u>	<u>-</u>	<u>486,239</u>	<u>(1,867,613)</u>
<b>Capital and reserves</b>				
Called up share capital	8,452,670	-	-	8,452,670
Share premium reserve	247,500	-	-	247,500
Profit and loss account	<u>(11,054,022)</u>	<u>-</u>	<u>486,239</u>	<u>(10,567,783)</u>
Total equity	<u>(2,353,852)</u>	<u>-</u>	<u>486,239</u>	<u>(1,867,613)</u>



## Sheffield United Limited

### Notes to the Financial Statements for the Year Ended 30 June 2016

#### Profit and Loss Account for the year ended 30 June 2015

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover		310,000	-	-	310,000
Cost of sales		<u>(1,325)</u>	<u>-</u>	<u>-</u>	<u>(1,325)</u>
Gross profit		308,675	-	-	308,675
Administrative expenses		<u>(759,390)</u>	<u>-</u>	<u>486,239</u>	<u>(273,151)</u>
Operating (loss)/profit		<u>(450,715)</u>	<u>-</u>	<u>486,239</u>	<u>35,524</u>
Other interest receivable and similar income		173,054	-	-	173,054
Interest payable and similar charges		<u>(2,287,525)</u>	<u>-</u>	<u>-</u>	<u>(2,287,525)</u>
		<u>(2,114,471)</u>	<u>-</u>	<u>-</u>	<u>(2,114,471)</u>
(Loss)/profit before tax		<u>(2,565,186)</u>	<u>-</u>	<u>486,239</u>	<u>(2,078,947)</u>
(Loss)/profit for the financial year		<u><u>(2,565,186)</u></u>	<u><u>-</u></u>	<u><u>486,239</u></u>	<u><u>(2,078,947)</u></u>