



Warwickshire
County Cricket Club



Warwickshire County Cricket Club

Annual Report 2011





It is pleasing to report a 50% increase in revenue and a return to profitability at the operating level* in 2011, a year that was very much one of transition of the way in which the Club operates.

Underpinning the improvement in financial performance and specifically Major Match Day receipts was the successful completion of the Stadium redevelopment in time for the Indian Test Match and t20 Finals Day in August. Whilst during a very cold winter practical completion seemed a long way off, the development was completed on schedule and under budget which represents a significant achievement for the Club. Feedback on the new facilities has been extremely positive from members, spectators, media and players alike which is testament to all those involved with the development, and specifically Phil Macdonald, the Club's Project Director and Colin Povey our Chief Executive.

The new development, in addition to providing world class cricket facilities, does also provide the Club with premium space for hospitality clients on match days and for conference and banqueting clients on non-match days.

The opening of these facilities was a major contributing factor to the improvement in financial performance in 2011. A new business model was adopted in the year for operating this part of our business. From the start of January 2011, all hospitality, catering and event revenue streams have been transacted through the Club's new subsidiary, Edgbaston Experience Limited, which is a joint venture between the Club and our long standing catering partner, Compass plc. The new arrangements have reinvigorated this area of the business. I am able to report a 47% growth in the non matchday event revenues, and an increasing number of regional and national organisations now using Edgbaston as a regular conference and event venue. I am confident that this growth will be a continuing trend commensurate with the quality of the new facilities. Cricket will always be the core part of our Club, but use of the stadium to generate revenue all year round is key to the sustainability of the Club's business model.

Major Matches, being internationals and domestic finals, were included in the long term Business Plan on an assumption that Edgbaston would be able to secure seven days of such cricket each year. The "Whole Game" award by ECB in September 2011 does provide security of games through to 2016 and Edgbaston has met the plan to the extent that we will be hosting the aspirational seven days in four out of the next five years. The schedule will see all the "major" touring nations visiting Birmingham, starting with the South Africans and Australians in 2012. Edgbaston will also be the host for the Domestic t20 Finals Day from 2013 to 2016 and an Ashes Test Match in 2015. At the time of writing the Club is also awaiting details of the ICC Champions Trophy tournament in 2013 for which Edgbaston will be host for five of the games.

The disappointment at not securing an Ashes Test Match in 2013 was huge for all at Warwickshire. I am certain the disappointment will be shared by those who are unable to watch "the Aussies" that year as a spectator with the country's second largest stadium not acting as a host venue for the series.

However, the schedule that has been secured will underpin a large proportion of the forecast revenues in the short to medium term. The financial planning behind the Masterplan development has been very detailed and while the economic environment remains challenging, I believe that the Club is in a better position with our new facilities than it would have been by retaining what we had. As this year's financial results demonstrate, the redeveloped Edgbaston has already started to perform against the key aim of enabling the Club to deliver a more rounded and successful Business Plan.

Cricket matters are for recording in the Members Handbook, but I thought it worthy of note in this report that the outstanding performances and consistent appearances by Jonathan Trott and Ian Bell for England during 2011 helped the Club receive higher performance related fee payments for senior England appearances from ECB than any other county – another reason to be proud of their achievements! The outcome is also a testament to the benefits of "growing our own talent".

In conclusion, it is important I note my thanks to my fellow Committee members and the Executive team for their contribution to the Club in an ever challenging environment. We are all very appreciative of the support we receive from Birmingham City Council, Compass plc and our sponsors. None of these efforts would of course be of worth without the support of members, other spectators and non cricket clients, all of whom we thank and look forward to seeing the numbers grow in 2012.

N Gascoigne
Chairman

* Pre-exceptional items



As highlighted already by the Chairman, it is pleasing to note an operating profit of £327,000 being reported for the year, especially given the £2.1m operating loss reported in 2010.

Before I get into the detail, readers of the accounts will notice that we have slightly amended the presentation of the profit and loss account this year to include earnings before interest, tax, depreciation and amortisation – EBITDA, which is an important measure of profitability in the banking world, as it typically represents the cash generated by the business to service its debt obligations, as opposed to operating profit which includes the non cash depreciation charge. The Club's EBITDA in 2011 was £1.0m which represents a £2.6m improvement on 2010.

The 2011 accounts also include the results of Edgbaston Experience Limited ("EEL"), our joint venture operation with Compass plc, from its start of trading on January 1st 2011.

Consolidated profit and loss account

Turnover in 2011 was £11.7m, representing a 50% increase on 2010 (£7.8m). Principal drivers of the increase were a 61% increase in cricket revenue, relating to improved returns from the Major Matches and a 20% increase in membership revenue, a 39% increase in performance fees received from ECB and a 63% increase in catering and hospitality receipts, arising from the improved facilities and revised operating model in this area.

The relatively large increase in administration costs relates to the new overhead structure implemented for EEL and the increased depreciation charge associated with the redevelopment. Costs in all areas continue to be closely monitored and well controlled.

£524,000 of exceptional costs have been reported in the year, relating to hiring temporary offices and the marquee during the ground redevelopment which will not be incurred going forward. Interest payable relates primarily to the interest charged on the Birmingham City Council loan. These 2 items resulted in a loss before taxation of £539,000. This compares to a loss before taxation of £186,000 in 2010, however 2010 included a £2.7m exceptional profit from sale of land.

There are 2 further items which impact the Club's bottom line retained loss for the year of £693,000, namely a tax credit of £204,000, which reflects the movement in the Club's tax losses, and minority interest of £358,000 which reflects the Compass interest in EEL. Further detail in respect of these items will be presented at the AGM, as I appreciate they may warrant further explanation.

Consolidated balance sheet and cash flow

There has been some quite significant changes to the balance sheet in the last 12 months. Fixed assets have increased by £21.9m reflecting the capital expenditure on the redevelopment and the new outfield. This has been funded by a £11.7m increase in loans and finance leases, the issue of share capital in EEL of £4.5m and £6.2m of grant receipts and advance ticket and membership sales. This ultimately meant the Club increased cash reserves during the period by £992,000 to £2.2m at the end of the year.

Outlook

The increase in debt finance inevitably brings the challenge of ongoing repayment obligations which the Club is committed to meet. The increase in EBITDA reported in the current year reflects significant initial progress in generating the level of underlying profit required to meet such commitments. With the schedule of Major Matches now confirmed out to the end of 2016 and superb new facilities, the Committee and Executive team will continue to focus rigorously on the profitability of our core business in order to keep the Club on a robust financial footing for the longer term.

S G Mills
Hon. Treasurer

Composition and Responsibilities of Committees

The members of the General Committee are set out below.

Representatives of the Management Committee and the Cricket Committee are highlighted accordingly.

Control procedures have been maintained in response to the key risks identified, including appropriate procedures to control the Club's assets and authorise expenditure.

Responsibility for the Club's Financial Statements

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

The Committee has elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The Club operates a comprehensive budgeting and financial reporting system which, as a matter of course, compares actual out-turn with budget. Management accounts are prepared on a monthly basis with variances against plan investigated. Cash forecasts are also prepared on a regular basis to enable the Management Committee and General Committee to ensure the Club has adequate funds for the foreseeable future.

The financial status of the Club, its cash flows and liquidity position at 30th September 2011 are shown in the financial statements. The Club's forecasts and projections, which have been prepared using suitable commercial assumptions, show that the Club is well placed to manage its business risks. The Committee has a reasonable expectation that the Club has adequate resources for the foreseeable future therefore it continues to adopt the going concern basis of accounting in preparation of the annual financial statements

The Friendly and Industrial and Provident Societies Act 1968 requires the Committee to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Club and of the surplus or deficit of the Club for that year. In preparing those Financial Statements, the Committee is 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; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Club will continue in existence.

The Committee confirm that it has complied with the above requirements in preparing the Financial Statements.

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Club and to enable it to ensure that the Financial Statements comply with the Friendly and Industrial and Provident Societies Act 1968. It is also responsible for safeguarding the assets of the Club and hence taking reasonable steps for the prevention and detection of a fraud and other irregularities.

The Committee is responsible for the maintenance and integrity of any financial information regarding the results posted 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.

Auditors and disclosure of information to auditors

As far as the Committee is aware, there is no relevant audit information of which the Club's auditors are unaware; and each member of the Committee has taken all the steps that they ought to have taken as a member of the Committee in order to make themselves aware of any relevant audit information and to establish that the Club's auditors are aware of that information.

GENERAL COMMITTEE

M.J.Browne	S.G.Mills *†
A.L.Burn*	J.Payne
M.A.Din†	C.G.Short
J.H.Dodge*†	G.C.Small†
T.Finch	A.C.Tickle*
N.Gascoigne*†	P.J.Warren
M.H.J.Willcox	J.A.Jameson M.B.E.
M.Williams*	P.G.Levenger
J.G.Winspear*†	I.R.Metcalf
J.I.McDowell†	

* Management Committee
† Cricket Committee

CHIEF EXECUTIVE

Colin Povey

MANAGEMENT TEAM

A.F.Giles M.B.E.	Director of Cricket
P.J.Macdonald	Project Director
J.McLaughlin	Commercial Director
C.Flindall	Financial Director
J.Nevin	General Manager (Edgbaston Experience Ltd)

For the year ended 30th September 2011

	Notes	2011 £	2010 £
Continuing operations			
Turnover	2	11,707,702	7,795,970
Cost of sales	3a	(8,347,543)	(7,702,811)
Gross profit		<u>3,360,159</u>	<u>93,159</u>
Administrative expenses	3b	(3,033,331)	(2,196,042)
Operating profit/(loss) before interest, tax, depreciation and amortisation - EBITDA		<u>1,008,868</u>	<u>(1,588,500)</u>
Depreciation (net of grant release)		(682,040)	(514,383)
Operating profit/(loss)		<u>326,828</u>	<u>(2,102,883)</u>
(Loss)/profit on sale of fixed assets		(5,103)	2,692,237
Exceptional expenses	3c	(519,191)	(742,230)
Operating loss after exceptional items		<u>(197,466)</u>	<u>(152,876)</u>
Net interest payable	5	(341,199)	(32,645)
Loss on ordinary activities before tax		<u>(538,665)</u>	<u>(185,521)</u>
Tax credit on loss on ordinary activities	6	203,786	713,216
(Loss)/profit on ordinary activities after tax		<u>(334,879)</u>	<u>527,695</u>
Minority interest		(357,759)	-
(Loss)/profit for the financial year		<u>(692,638)</u>	<u>527,695</u>

At 30 September 2011

	Notes	Consolidated		Club	
		2011	2010	2011	2010
		£	£	£	£
Fixed assets	7	43,189,194	22,176,540	43,189,194	22,176,540
Investments	9	-	-	511	436
		<u>43,189,194</u>	<u>22,176,540</u>	<u>43,189,705</u>	<u>22,176,976</u>
Current Assets					
Stock	10	49,501	56,502	49,501	56,502
Debtors and prepayments:					
Amounts falling due after one year	11	282,232	-	282,232	-
Amounts falling due within one year	11	2,365,608	4,064,638	2,042,108	4,064,638
Bank and cash in hand		2,229,952	1,238,326	1,570,138	1,238,326
		<u>4,927,293</u>	<u>5,359,466</u>	<u>3,943,979</u>	<u>5,359,466</u>
Creditors: Amounts falling due within one year					
Creditors and accruals	12	3,409,313	4,027,763	3,103,097	5,203,816
Corporation taxation payable		94,014	-	-	-
Loans	13	1,193,187	385,577	1,193,187	385,577
		<u>4,696,514</u>	<u>4,413,340</u>	<u>4,296,284</u>	<u>5,589,393</u>
Net current assets/(liabilities)		<u>230,779</u>	<u>946,126</u>	<u>(352,305)</u>	<u>(229,927)</u>
Total assets less current liabilities		<u>43,419,973</u>	<u>23,122,666</u>	<u>42,837,400</u>	<u>21,947,049</u>
Creditors: Amounts falling due after more than one year					
Creditors and accruals	12	1,379,816	125,167	3,127,180	125,167
Loans	13	20,335,285	11,006,395	24,835,285	11,006,395
		<u>21,715,101</u>	<u>11,131,562</u>	<u>27,962,465</u>	<u>11,131,562</u>
Deferred income	14	10,324,665	4,703,077	9,753,354	4,703,077
Net assets		<u>11,380,207</u>	<u>7,288,027</u>	<u>5,121,581</u>	<u>6,112,410</u>
Represented by:					
Share capital	15	401	401	401	401
Revaluation reserve	16	778,637	851,569	778,637	851,569
Accumulated fund	17	8,218,410	6,436,057	4,342,543	5,260,440
Members' funds	18	<u>8,997,448</u>	<u>7,288,027</u>	<u>5,121,581</u>	<u>6,112,410</u>
Minority interest		2,382,759	-	-	-
Total equity		<u>11,380,207</u>	<u>7,288,027</u>	<u>5,121,581</u>	<u>6,112,410</u>

The financial statements on pages 4 to 18 were approved by the General Committee on 12 January 2012

For the year ended 30 September 2011

	Notes	2011 £	2010 £
Net cash inflow/(outflow) from operating activities after exceptional items	19	<u>7,067,695</u>	<u>(2,212,377)</u>
Returns on investments and servicing of finance			
Interest received		7,543	2,153
Interest paid		<u>(348,742)</u>	<u>(34,798)</u>
Net cash outflow from returns on investments and servicing of finance		<u>(341,199)</u>	<u>(32,645)</u>
Taxation			
UK Corporation tax refunded		15,559	-
Capital expenditure			
Purchase of fixed assets		(21,950,228)	(12,481,587)
Sale of fixed assets		26,500	3,000,000
Net cash outflow for capital expenditure		<u>(21,923,728)</u>	<u>(9,481,587)</u>
Net cash outflow before financing		<u>(15,181,673)</u>	<u>(11,726,609)</u>
Financing			
Receipt of loans		10,721,790	11,181,972
Issue of share capital in Edgbaston Experience Limited		4,500,000	-
Receipts from hire purchase funding		1,653,837	-
Repayment of loans		(585,290)	(715,000)
Repayment of capital element of hire purchase contracts		<u>(117,038)</u>	<u>(40,543)</u>
Net cash inflow from financing		<u>16,173,299</u>	<u>10,426,429</u>
Increase/(decrease) in cash for the year	20	<u>991,626</u>	<u>(1,300,180)</u>

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The historical cost convention has been used, modified by the revaluation of certain fixed assets.

(a) Basis of Consolidation

The consolidated financial statements include the Club and its subsidiary undertakings Warwickshire Cricket Ground Limited (wholly owned) and Edgbaston Experience Limited (55% owned).

(b) Tangible Assets

Additions to land and buildings are capitalised. Assets are written off, on a straight line basis, from the date when brought into first use over their anticipated useful lives at the following rates:

Building improvements	4% - 20%
Fixtures & fittings	5% - 20%
Edgbaston Cricket Centre	4%
Eric Hollies Stand	4%
Pavilion development	1.67% - 6.67%

No depreciation is charged on the County Ground as the value of the land alone at the balance sheet date is considered to be in excess of the total book value. Investment properties are included in the balance sheet at their open market value at the balance sheet date on the basis of an annual valuation.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The Club considers that, because these properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount that might otherwise have been shown cannot be separately identified or quantified.

Donated assets are not depreciated.

(c) Deferred income

Deferred income includes income, gifts and grants which are received in respect of capital developments are shown as deferred income and are being released to the Profit and Loss account over the related asset's useful life.

(d) Stock

Stocks are valued at the lower of cost and net realisable value. Provision is made for slow moving and obsolete stock.

(f) Turnover

Turnover represents the amounts derived from the provision of goods and services that fall within the Club's ordinary activities and is stated net of value added tax and sales discounts.

(g) Investments

Investments are stated in the balance sheet at cost less any provision for permanent diminution in value.

(h) Deferred Taxation

Deferred tax is provided on all timing differences in accordance with FRS 19. Timing differences are differences between the Club's taxable surplus and its surplus as stated in the Financial Statements.

(i) Pension Costs

The Club operates defined contribution pension schemes for certain of its employees. These schemes are not contracted-out of the state scheme.

(j) Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Club, and hire purchase contracts are capitalised on the balance sheet and depreciated over the assets' useful lives. The capital elements of future obligations under leases and hire purchase contracts are included as liabilities on the balance sheet. The interest elements of the rental obligations are charged to the income and expenditure account over the period of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Costs in respect of operating leases are charged on a straight-line basis over the term of the lease.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There are no material differences between the loss for the year before tax and retained loss for the year, as stated above, and their historic cost equivalents.

2. TURNOVER	2011	2010
	£	£
England and Wales Cricket Board	2,426,300	1,739,607
Cricket	4,507,029	2,793,836
Catering and hospitality	3,659,645	2,247,502
Sponsorship and other commercial income	779,198	788,920
Shop and other	335,530	226,105
	<u>11,707,702</u>	<u>7,795,970</u>
3. COSTS	2011	2010
	£	£
(a) Cost of sales		
Cricket	5,226,783	4,305,799
Catering and hospitality	1,601,064	1,950,161
Ground and playing area	733,323	815,208
Commercial and marketing	580,749	464,709
Shop and other	205,624	166,934
	<u>8,347,543</u>	<u>7,702,811</u>
	2011	2010
	£	£
(b) Administrative expenses		
Administration and general	2,351,291	1,681,659
Depreciation (net of grant release)	682,040	514,383
	<u>3,033,331</u>	<u>2,196,042</u>
	2011	2010
	£	£
(c) Exceptional expenses		
Assets demolished in course of construction	-	280,990
Ground reconfiguration and other costs	519,191	461,240
	<u>519,191</u>	<u>742,230</u>

4. STAFF COSTS (included in note 3)	2011	2010
	£	£
Wages and salaries	3,007,767	2,962,542
Social security costs	370,638	339,358
Other and pension costs	177,900	169,895
	<u>3,556,305</u>	<u>3,471,795</u>
The average monthly number of employees during the year was made up as follows:	2011	2010
	No.	No.
Cricketers, Coaches and Groundstaff	47	49
Administration and other	33	26
	<u>80</u>	<u>75</u>
5 . NET INTEREST PAYABLE	2011	2010
	£	£
Interest receivable and similar income		
Short term deposits	7,543	2,153
Total	<u>7,543</u>	<u>2,153</u>
Interest payable and similar charges		
Bank overdraft and facility fees	9,797	103
Hire purchase agreements	54,637	16,330
Loans	284,308	18,365
Total	<u>348,742</u>	<u>34,798</u>
Net interest payable	<u>(341,199)</u>	<u>(32,645)</u>
6. TAXATION	2011	2010
	£	£
Loss on ordinary activities before tax	(538,665)	(185,521)
Loss on ordinary activities multiplied by the standard rate of corporation tax at 27.0% (2010 : 28.0%)	(145,440)	(51,946)
Effects of:		
Decelerated capital allowances	239,786	184,034
Other timing differences	(141,727)	-
Non taxable income	(32,799)	(742,839)
Adjustments to tax in respect of previous periods	(15,500)	3,864
Unrelieved tax losses	171,476	218,948
Difference in tax rate for Edgbaston Experience Limited	2,650	-
Difference in tax rates on losses carried back	-	1,762
Total current tax charge/(credit) for year	<u>78,446</u>	<u>(386,177)</u>
Deferred tax		
Originating and reversal of timing differences	(282,232)	(327,039)
Total tax credit for year	<u>(203,786)</u>	<u>(713,216)</u>

7. FIXED ASSETS**Consolidated and Club**

	Total	Freehold Land and Property	Long Leasehold House	Building Improvements	Fixtures and Fittings	Edgbaston Cricket Centre	Eric Hollies Stand	Development Project
	£	£	£	£	£	£	£	£
Cost or valuation								
At 1 October 2010	29,080,536	2,598,772	30,530	4,652,065	2,653,689	3,275,367	2,236,592	13,633,521
Additions in year	21,950,228	390,432	-	809,872	292,331	-	-	20,457,593
Disposals in year	(39,504)	-	-	-	(39,504)	-	-	-
Revaluation of freehold houses	(72,932)	(72,932)	-	-	-	-	-	-
At 30 September 2011	50,918,328	2,916,272	30,530	5,461,937	2,906,516	3,275,367	2,236,592	34,091,114
Depreciation								
At 1 October 2010	6,903,996	-	-	3,081,775	1,622,140	1,386,795	813,286	-
Charge for year	833,039	-	-	251,104	193,813	134,125	90,570	163,427
Disposals in year	(7,901)	-	-	-	(7,901)	-	-	-
At 30 September 2011	7,729,134	-	-	3,332,879	1,808,052	1,520,920	903,856	163,427
Net book value								
At 30 September 2011	43,189,194	2,916,272	30,530	2,129,058	1,098,464	1,754,447	1,332,736	33,927,687
At 30 September 2010	22,176,540	2,598,772	30,530	1,570,290	1,031,549	1,888,572	1,423,306	13,633,521

Included in Freehold Land and Property are freehold houses at their open market value of £2,435,000 as at 30 September 2011 (2010 : £2,117,500). The valuations were undertaken by Messrs Bruton Knowles. If the revalued houses were stated on the historical cost basis, their cost and net book value would be £1,930,375 (2010 : £1,539,943).

Included in Fixtures & Fittings are donated assets consisting of museum artifacts and library books. These were valued internally at their open market value of £270,200 as at 30 September 2000.

7. FIXED ASSETS CONTINUED

Included within Fixtures and Fittings are the following amounts related to assets acquired under Hire Purchase contracts:

Consolidated and Club	£
Cost or valuation at 1 October 2010	336,422
Additions in year	1,727,837
At 30 September 2011	<u>2,064,259</u>
Depreciation at 1 October 2010	141,667
Charge for year	47,421
At 30 September 2011	<u>189,088</u>
Net book value	
At 30 September 2011	<u>1,875,171</u>
At 30 September 2010	<u>194,755</u>

8. LOSS/PROFIT FOR THE FINANCIAL YEAR

The holding company's income and expenditure account has not been included in these financial statements. The loss dealt with in the holding company's financial statements is £917,897 (2010 profit : £527,695).

9. INVESTMENTS

	2011	2010
	£	£
Club		
Investment at cost in Warwickshire Cricket Ground Limited	436	436
Investment at cost in Edgbaston Experience Limited	75	-
	<u>511</u>	<u>436</u>

The Club invested in Edgbaston Experience Limited on 18 March 2011. On the same date Compass Contract Services (UK) Limited also invested in the same company. The Club has an effective shareholding of 55%.

10. STOCK

	2011	2010
	£	£
Consolidated and Club		
Shop merchandise for re-sale	<u>49,501</u>	<u>56,502</u>

11. DEBTORS AND PREPAYMENTS	2011	2010
	£	£
Amounts falling due within one year		
Consolidated		
Trade debtors	629,596	721,233
Prepayments and accrued income	1,519,779	2,484,038
Tax	-	817,788
Other debtors	216,233	41,579
	<u>2,365,608</u>	<u>4,064,638</u>
	2011	2010
	£	£
Club		
Trade debtors	454,335	721,233
Prepayments and accrued income	1,320,074	2,484,038
Tax	51,466	817,788
Other debtors	216,233	41,579
	<u>2,042,108</u>	<u>4,064,638</u>
Amounts falling due after one year - deferred tax		
Consolidated and Club		
Deferred taxation has been provided on the basis set out in Financial Reporting Standard 19. In accordance with this standard no provision has been made for revaluation gains on the Club's properties.		£
As at 1 October 2010		-
Profit and loss account		282,232
Adjustments in respect of prior years		-
		<u>282,232</u>
As at 30 September 2011		<u>282,232</u>
Provision for deferred tax comprises:	2011	2010
	£	£
Decelerated capital allowances	58,624	-
Other timing differences	223,608	-
	<u>282,232</u>	<u>-</u>
Deferred tax asset	<u>282,232</u>	<u>-</u>

At 30 September 2010 the Club and Group had an unrecognised deferred tax asset of £61,139.

12. CREDITORS AND ACCRUALS

Amounts falling due within one year	2011	2010
Consolidated	£	£
Trade creditors	916,507	1,264,422
Tax and national insurance	175,749	131,213
Accruals	1,993,743	2,590,964
Amounts due under HP agreements	22 323,314	41,164
	<u>3,409,313</u>	<u>4,027,763</u>

Amounts falling due within one year	2011	2010
Club	£	£
Trade creditors	717,652	1,264,422
Tax and national insurance	106,887	131,213
Accruals	1,761,448	2,590,964
Amounts due under HP agreements	22 323,314	41,164
Amounts owed to subsidiary undertakings	193,796	1,176,053
	<u>3,103,097</u>	<u>5,203,816</u>

Amounts falling due after more than one year	2011	2010
Consolidated	£	£
Amounts due under HP agreements	22 1,379,816	125,167
	<u>1,379,816</u>	<u>125,167</u>

Amounts falling due after more than one year	2011	2010
Club	£	£
Amounts due under HP agreements	22 1,379,816	125,167
Amounts owed to subsidiary undertakings	1,747,364	-
	<u>3,127,180</u>	<u>125,167</u>

13. LOANS

Consolidated	2011	2010
(a) Summary of loans	£	£
Repayable in less than one year	1,193,187	385,577
In more than one but less than two years	326,515	1,011,876
Between two and five years	1,082,785	1,034,238
After more than five years	18,925,985	8,960,281
	<u>21,528,472</u>	<u>11,391,972</u>

Club	2011	2010
(a) Summary of loans	£	£
Repayable in less than one year	1,193,187	385,577
In more than one but less than two years	326,515	1,011,876
Between two and five years	1,082,785	1,034,238
After more than five years	18,925,985	8,960,281
Repayable other than by instalments	4,500,000	-
	<u>26,028,472</u>	<u>11,391,972</u>

Consolidated and Club	2011	2010
(b) Repayable by instalments	£	£
Repayable in less than one year	1,193,187	385,577
In more than one but less than two years	326,515	1,011,876
Between two and five years	1,082,785	1,034,238
After more than five years	18,925,985	8,960,281
	<u>21,528,472</u>	<u>11,391,972</u>

Club	2011	2010
(c) Repayable other than by instalments	£	£
Inter-company loan	4,500,000	-
	<u>4,500,000</u>	<u>-</u>

The loan of £20,645,972 from Birmingham City Council is repayable in equal quarterly instalments over 29 years and 9 months at a fixed interest rate of 5.00%. This loan is secured on the freehold land and buildings owned by the Club.

A bank loan of £700,000 is repayable in one instalment in 2012, with a variable interest rate of 2.0% above bank base. This loan is secured on a freehold property owned by the Club.

14. DEFERRED INCOME

Deferred income relates to various capital grants awarded to the Club, and advanced ticket & membership sales.

Consolidated	£	
Balance as at 1 October 2010	4,703,077	
Grants received	3,606,738	
Advanced ticket and membership sales	2,614,146	
Released to profit and loss account	(599,296)	
	<hr/>	
Balance as at 30 September 2011	10,324,665	
	2011	2010
	£	£
Falling due within one year	1,639,166	352,195
Falling due after more than one year	8,685,499	4,350,882
	<hr/>	<hr/>
	10,324,665	4,703,077
	<hr/>	<hr/>

Club

	£	
Balance as at 1 October 2010	4,703,077	
Grants received	3,606,738	
Advanced ticket and membership sales	2,042,835	
Released to profit and loss account	(599,296)	
	<hr/>	
Balance as at 30 September 2011	9,753,354	
	2011	2010
	£	£
Falling due within one year	1,496,338	352,195
Falling due after more than one year	8,257,016	4,350,882
	<hr/>	<hr/>
	9,753,354	4,703,077
	<hr/>	<hr/>

15. SHARE CAPITAL

	2011	2010
	£	£
Ordinary shares of 5p each	401	401
	<hr/>	<hr/>

16. REVALUATION RESERVE

Consolidated and Club	£	
At 1 October 2010	851,569	
Revaluation in the year	(72,932)	
	<hr/>	
At 30 September 2011	778,637	
	<hr/>	

17. ACCUMULATED FUND	Consolidated	Club
	£	£
As at 1 October 2010	6,436,057	5,260,440
Edgbaston Experience Limited	2,117,232	-
Loss for the year	(334,879)	(917,897)
	<hr/>	<hr/>
At 30 September 2011	8,218,410	4,342,543
	<hr/>	<hr/>

18. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS	Consolidated	Club
	£	£
Members funds at 1 October 2010	7,288,027	6,112,410
Edgbaston Experience Limited	2,117,232	-
Loss for the year	(334,879)	(917,897)
Revaluation in the year	(72,932)	(72,932)
	<hr/>	<hr/>
Members funds at 30 September 2011	8,997,448	5,121,581
Minority interest	2,382,759	-
	<hr/>	<hr/>
Total equity	11,380,207	5,121,581
	<hr/>	<hr/>

19. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES AFTER EXCEPTIONAL ITEMS	2011	2010
	£	£
Operating profit/(loss)	326,828	(2,102,883)
Depreciation charges	833,039	646,383
Decrease/(increase) in debtors	1,699,030	(1,850,519)
Decrease in creditors	(900,600)	(1,305,956)
Decrease/(increase) in stock	7,001	(4,531)
Release of grants	(150,999)	(132,000)
Receipt of grant	3,606,738	2,683,262
Release of ticket sales and membership	(448,297)	-
Advanced ticket sales and membership	2,614,146	315,107
Exceptional expenses	(519,191)	(461,240)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities after exceptional items	7,067,695	(2,212,377)
	<hr/>	<hr/>

20. RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT

	£	£
Increase in cash in the year	991,626	
Receipts from hire purchase funding	(1,653,837)	
Repayments of hire purchase loans in the year	117,038	
Cash inflow from receipt of loans	(10,721,790)	
Cash outflow from repayment of loans	585,290	
	<hr/>	
Change in net funds resulting from cash flows		(10,681,673)
Net debt at 1 October 2010		(10,319,977)
		<hr/>
Net debt at 30 September 2011		(21,001,650)
		<hr/>

21. ANALYSIS OF NET DEBT

	1 October 2010	Cash Flow	30 September 2011
	£	£	£
Cash:			
Cash at bank and in hand	1,238,326	991,626	2,229,952
	<hr/>	<hr/>	<hr/>
	1,238,326	991,626	2,229,952
Debt:			
Falling due within one year	(385,577)	(807,610)	(1,193,187)
Falling due after one year	(11,006,395)	(9,328,890)	(20,335,285)
Finance leases	(166,331)	(1,536,799)	(1,703,130)
	<hr/>	<hr/>	<hr/>
Net debt	(10,319,977)	(10,681,673)	(21,001,650)
	<hr/>	<hr/>	<hr/>

22. FINANCIAL COMMITMENTS

Consolidated and Club

Operating leases

At 30 September the Club and Group had annual commitments under non-cancellable operating leases in respect of office equipment and general effects as follows:

	2011	2010
	£	£
Repayable in one year or less	-	-
Between two and five years	64,044	31,232
	<u>64,044</u>	<u>31,232</u>

Hire purchase contracts

Future minimum lease payments under hire purchase contracts together with the present value of the net minimum lease payments are as follows:

	Minimum lease payments 2011 £	Present value of Minimum lease payments 2011 £	Minimum lease payments 2010 £	Present value of Minimum lease payments 2010 £
Repayable in one year or less	467,400	323,314	50,748	41,164
Between two and five years	1,631,058	1,379,816	136,127	125,167
	<u>2,098,458</u>	<u>1,703,130</u>	<u>186,875</u>	<u>166,331</u>
Less finance charges allocated to future periods	395,328		20,544	
Present value of minimum lease payments	<u>1,703,130</u>		<u>166,331</u>	

23. AUDITORS' REMUNERATION

Remuneration of the auditors consisted of the following:

	2011	2010
	£	£
Club audit fees	22,150	27,173
Audit fees in respect of subsidiaries	10,000	-
Advice in respect of the ground development project	25,586	59,500
Taxation and other services	12,900	33,154
	<u>70,636</u>	<u>119,827</u>

24. RELATED PARTY TRANSACTIONS

During the year related party transactions amounting to a total of £67,587 (2010 : £278,275) were carried out.

During the year the Club received legal advice from Wragge & Co LLP in the sum of £42,169 (2010: £258,452), principally relating to the Master Plan project. General Committee member Mr IR Metcalfe, is the Managing Partner of Wragge & Co LLP. These services were provided on normal commercial terms.

The Club has taken the exemption under FRS8 not to disclose transactions with its subsidiaries Warwickshire Cricket Ground Limited and Edgbaston Experience Limited.

No other related party transactions were individually material to either the Club or the related party.

A register of related party transactions is maintained and available for inspection.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WARWICKSHIRE COUNTY CRICKET CLUB LIMITED

We have audited the Group and Club's financial statements for the year ended 30 September 2011 which comprise the Consolidated Profit and Loss Account, Balance Sheets, Consolidated Cash Flow Statement and the related notes 1 to 24. 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 9 of the Friendly and Industrial and Provident Societies Act 1968. 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 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 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 and auditors

As explained more fully in the Club's General Committee's Responsibilities Statement set out on page 3, the Club's General Committee 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.

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 Group's and Club's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; 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.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Club's affairs as at 30 September 2011 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts 1965 to 2002 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Ernst & Young LLP
Statutory Auditor
Birmingham
12 January 2012



The page is mostly blank white space, suggesting the text content is either missing or has been redacted.



