

Company registration number 00175280 (England and Wales)

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024



CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

COMPANY INFORMATION

Directors	Ms S C Kidd	
	Mr N Clibbens	
	Mr T W Piatak	(Appointed 22 November 2023)
	Mrs P R Piatak	(Appointed 22 November 2023)
	Mr T Piatak II	(Appointed 22 November 2023)
	Mrs A Piatak	(Appointed 22 November 2023)
	Mr N Demasi	(Appointed 22 November 2023)
	Ms J Piatak	(Appointed 22 November 2023)
	Mr M Spooner	(Appointed 27 December 2023)

Company number 00175280

Registered office Brunton Park
Warwick Road
Carlisle
CA1 1LL

Auditor MHA
Richard House
9 Winckley Square
Preston
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CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

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CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The directors present the strategic report for the year ended 30 June 2024.

The Company's business and strategy

A full independent audit including this detailed annual Strategic Report continues to remain an important part of the Club's engagement with supporters.

This level of detail is not required by EFL regulations or the Companies Act, but we believe sharing this information is crucial and is the right thing to do, as it helps understanding of the Club and the challenges it faces, as against the hearsay and speculation that often exists in football. We have also included a Cash Flow Statement, again not strictly required and a detailed analysis of our turnover and football debtors.

The principal activity of Carlisle United Association Football Club (1921) Limited ("the Company" or "Club") is unchanged. It undertakes all day-to-day operational business trading activities of 'Carlisle United', holds the EFL "Golden Share" and is the only subsidiary of C.U.F.C Holdings Limited ("Holdings"). Holdings is an intermediate company and does not trade. 1921's ultimate parent company is Castle Sports Group Limited ("CSG") which took over control of the Company and Holdings on 22 November 2023.

Financial review

Results and Performance overview

The year was one of contrasts. Our first season in League 1 since 13/14 started with optimism but ended as one of the worst football seasons in the Club's history, culminating in relegation back to League 2 with a very low points total. A change in the ultimate ownership and control of the Club took place on 22 November 2023 with the Piatak Family from Jacksonville, Florida acquiring 90% of Holdings. Financially, the Club recorded the best year in its history.

Business Turnover and Recurring Income both grew very significantly, despite results on-the-pitch. While general cost pressures increased too, the underlying business performance of the Club improved in a record-breaking year.

Overall, from cups, player sales and play-offs we achieved net Football Fortune of £1,901,000 (2022/23: £429,000).

The new owners CSG purchased the legacy debt of £2.56m due from 1921 to Purepay Retail Limited for £2.45m and then forgave the debt.

The overall result was a profit of £2.82m (2022/23: loss of £665,000).

The significant net Football Fortune and non-recurring net income, plus working capital cash flows and improved business performance meant cash balances remained strong at the year end. We ended the year with £0.8m net cash in the bank and total debt levels reduced to £1.95m, with just £236,000 of third-party debt due to Pioneer Food Group and £1.66m due to CSG.

In all significant respects, the off-the field financial business performance and position of the Club at the year-end were the best for many years.

We materially underperformed the playing budget in finishing rock-bottom, significantly adrift of safety. The budget for Player Costs was initially increased as planned under the exiting ownership and then increased further following the change of ownership. According to EFL independent benchmark data from March 2023, our Player Costs ranking in League 1 was not in the bottom four and our on-field performance did not reflect the resources provided.

Headline Turnover £8.31m (2022/23: £5.29m)

The £3.0m increase (2022/23: £544,000 increase) in Headline Turnover reflects significant growth in Business Turnover, in part from the effects of promotion, plus higher Football Fortune.

All our sources of income can be analysed in more detail as follows.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Business Turnover £4.12m (2023/23: £3.06m)

This measures the income generated by the Club's operating activities off-the-pitch. It includes ticket, commercial and retail income. The £1.07m increase (+35% increase) reflects improvement across all income streams. £4.12m is the highest Business Turnover on record for the second year in a row. By growing recurring Business Turnover, the Sustainability of the Club is improved.

Professional Game Income £2.26m (2022/23: £1.69m)

Professional Game Income comprises EFL income £954,000 (2022/23: £652,000), Premier League Solidarity £779,000 (2022/23: £480,000), EPPP Academy grant income of £499,000 (2022/23: £502,000) and LFE Academy education grants £27,000 (2022/23: £55,000). The growth is almost entirely due to promotion.

Total Recurring Income comprises recurring Business Turnover and Professional Game Income. This totalled £6.38m (2022/23: £4.74m), rising +35% in the year. It was also the best on record.

Non-recurring football income £1.90m (2022/23: £373,000)

This comprises Football Fortune income from cup runs £45,000 (2022/23: £120,000), player sales £1.86m (2022/23: £97,000). In 22/23 we also earned £110,000 from Play-off final and £46,000 from TV. Additionally, Cup costs were £7,000 (2022/23: £17,000).

The sale proceeds we earn from player deals and the cash from cups, add to the Underlying Contribution of the Club from trading, which then allows us to increase our Total Football Expenditure and reinvest in the wider Club to grow and improve and create a virtuous circle.

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Business Costs £1.24m (2022/23: £883,000)

These comprise recurring costs from day-to-day trading operations such as staging games, commercial activities and retail (excluding overheads, depreciation and interest). They increased by £617,000 as retail purchases, commercial activity and match-day costs as activity increased 35%. Business margin was maintained at 70%.

Overheads £1.33m (2022/23: £1.05m)

General overhead costs increased by £280,000 (+27% increase) as minimum wage rises, staff payroll, stadium expenses, IT, repairs and maintenance costs all escalated with general inflation alongside increased activity from higher crowds and costs of operating in a higher division. Total director salaries were £122,000 (2022/23; £110,000).

Underlying Contribution £3.12m (2022/23: £2.15m, 2021/22: £1.53m)

Underlying Contribution measures the Club's long-term ability to pay for all its football activities from its own trading, without extra funding provided by shareholders, external funders or windfalls from Football Fortune income (for example from cup runs or player sales) or other non-recurring events.

The +45% increase in the year reflects the growth in Business Margin (from tickets, retail and commercial and promotion) offset by increased overheads. The net impact is a £968,000 improvement. Underlying Contribution has doubled in the last two years.

Growth in Underlying Contribution is required to avoid putting unsustainable pressure on Football Fortune and external funding support to maintain Club spending on and off-the-pitch. Investment in projects that grow Business Turnover is required to improve the Sustainability of the Club. This investment started immediately after the change of ownership.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Total Football Expenditure £4.05m (2022/23: £2.81m, 2021/22: £2.02m)

We planned to increase Total Football Expenditure to help provide additional resources to compete on-the-pitch in League 1, but pending the takeover being completed, the funding initially available was far lower than might have been the case if the deal had concluded in the summer. Nevertheless, the initial funding provided for the summer window and post deal should have been sufficient to deliver a far better outcome on the field than was achieved. The 45% increase in Total Football Expenditure (£1.23m increase) came after a 28% increase (£611,000 increase) in 2022/23.

Within Total Football Expenditure, Player Costs were £2.77m (2022/23: £1.841m, 2021/22: £1.374m) an increase of £935,000.

Other Football Costs were £1.27m (2022/23: £973,000). The £300,000 (+31%) increase reflects higher budgets for football operations including increases in football staff pay following promotion totalling £124,000.

Result for the year

The operating profit for the year excluding exceptional items was £206,000 (2022/23: £517,000 loss). After net interest income of £53,000 (2022/23: £148,000 charge), and £2.56m debt write-off, the total overall profit for the year was £2.82m (2022/23: £665,000 loss).

Balance sheet

The total assets of the Company at the year-end are £17.84m (2022/23: £14.22m).

Net assets increased to £10.9m (2022/23: £8.1m).

Tangible fixed asset additions of £2.9m (2022/23: £145,000) were made to Brunton Park, almost entirely after the change in ownership, as well as £128,000 (2022/23: £92,000) of revenue expenditure on the stadium pitch, repairs and maintenance.

£491,000 (2022/23: £78,000) was invested in player transfer fees in the January 2024 window.

Year end stocks reflect retail merchandise delivered for 2024/25 season, arriving for sale before the year end.

Debtors reflect £1.02m (2022/23: £132,000) of transfer cash receipts due in 2024/25 and beyond. Creditors reflect stock purchases and season ticket sales for 2024/25 taking place before the year end. All on-going PAYE/NI, VAT and wages were paid in full on time in the year.

During the year, the historic loan repayable to Purepay Retail Limited was purchased by CSG. CSG then forgave the debt resulting in a £2.56m exceptional income gain by the Company. After settlement of the debt and completion of the change of ownership, the security over all the assets of the Company and personal guarantees provided by three individual shareholders were discharged and released. At the year end all the assets of the Company are unincumbered and free from any security once again.

Total gross debt, before cash balances of £0.8m, was £1.89m on 30 June 2024 (30 June 2023 at £3.03m). The decrease comprises £2.56m debt forgiven, £40,000 of EFL debt cash repayments (2022/23: £40,000) and reductions in the third-party debt payable to Pioneer Food Group.

The Club has no Football Net debt and stood in credit at £218,000 the year end on UEFA's measure (30 June 2023: £1.45m debt).

Cash flows

In the year, after the change in ownership, £496,000 (2022/23: £78,000) of cash was invested and player transfer additions. £796,000 (2022/23: £176,000) of cash was received from player sales and add-ons.

£1.61m (2022/23: £145,000) of cash was invested in fixed asset additions with almost all taking place after the change of ownership.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

£1.66m of interest free, unsecured debt funding was provided by CSG to the Company in the year to fund the these additions. The cash came from equity issues by CSG.

We repaid £40,000 (2022/23: £40,000) of loans to EFL, and £181,000 (2022/23: £32,000) to Pioneer Food Group. £975,000 (2022/23: £176,000) of cash was received from player transfers and sell ons.

The Company received £53,000 (2022/23: £nil) of net interest in the year.

Review of Strategic Activities

The Club is organised into four key Strategic Activities, namely, Football, Business, Academy and Community.

Football

League 1

After the joy of the 2022/23 play-off winning promotion, season, we maintained football management stability with Paul Simpson entering his second full season in charge and his third campaign as manager. We planned to increase our Player Cost budget at the start of the year along with more planned spending on other football staff and football department expenses too, especially recruitment, as we sought to compete and adjust to life in League 1.

Overall, the season was extraordinarily disappointing as were we relegated straight back having failed to make any impact and suffered one of the worst seasons in the Club's history.

Overall, we earned just 30pts from 46 games (0.65 PPG) and we finished in 24th place (2022/23: 5th in League 2) in League 1. This was 17pts from avoiding relegation. Our final record was:

2023/24	L1	24th	P46 W7 D9 L30 GF41 GA81 GD-40 30pts PPG 0.65
2022/23	L2	5th	P46 W20 D16 L10 GF66 GA43 GD+23 76pts PPG 1.65 Play-off winners
2021/22	L2	20th	P46 W14 D11 L21 GF39 GA62 GD-23 53pts PPG 1.15
2020/21	L2	10th	P46 W18 D12 L16 GF60 GA51 GD+9 66pts PPG 1.43
2019/20	L2	18th	P35 W10 D12 L15 GF39 GA56 GD-17 42pts PPG 1.20

Attack

In attack we scored only 41 goals at 0.89 Goals For per 90 minutes (2022/23: 66 goals at 1.43 GF90). This was the third worst in League 2. Our 21 Goals For at home was the third worst in League 1 and 20 away was the sixth worst.

Defence

With 81 Goals Against conceded (2022/23: 43), we had the worst defensive record in the division by a wide margin.

Just 3 clean sheets were achieved (2022/23: 20). We conceded two or more goals 23 times (202/23: 11). We ended the season with worst goal difference in the division (GD-40).

Home form

Overall, we ranked 24th (2022/23: 5th) in League 1 for home points won. Our overall home record was:

2023/24	L1	24th	P23 W3 D6 L14 GF21 GA42 GD-21 Pts 15 PPG 0.65
2022/23	L2	5th	P23 W11 D8 L4 GF34 GA21 GD+13 Pts 41 PPG 1.78
2021/22	L2	18th	P23 W8 D7 L8 GF19 GA23 GD-4 Pts 31 PPG 1.35

We won only three league games at home in L1 and none after 1 January 2024.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Away form

We ranked 24th 2022/23: 7th) in League 1 for away points won achieving 15pts at 0.65PPG (2022/23: 35pts at 1.52 PPG). Our overall away record was:

2023/24	L1	24th	P23 W4	D3	L16	GF20	GA39	GD-19	Pts 15	PPG 0.65
2022/23	L2	7th	P23 W9	D8	L6	GF32	GA22	GD+10	Pts 35	PPG 1.52
2021/22	L2	17th	P23 W6	D4	L13	GF20	GA39	GD-19	Pts 22	PPG 0.96

Cup competitions

Disappointingly and frustratingly, in all three cup competitions we failed to make any impact. This resulted in very low cup income once again.

We lost 1-0 (A) in Round 1 of the EFL League Cup against League 2 Harrogate Town.

We lost 3-1 (A) in Round 1 of FA Cup against League 1 Leyton Orient.

In the EFL Trophy we won just one of our three group games and did not progress to the knock-out rounds.

Academy review

The four core objectives of the Academy were, to develop:

1. Elite professional footballers to play in our first team (in League 1 and be capable of playing higher in the league pyramid). This is the Academy's top priority
2. Players who add significant value to the first team squad for future sale and reinvestment
3. Players who have playing careers in the professional game
4. Individuals capable of forging successful careers outside the game

These are set out in the Club's Academy Plan which is a key component of the Premier League and EFL's Elite Player Performance Plan ("EPPP").

It is a long-term process to see players develop and break through to make their mark in our first team squad, then be named in the first team '18' and finally to consistently play minutes on-the-pitch in our first team. Players do not emerge at a predictable or consistent rate; many factors must come together to bring success. Good or fallow years are not necessarily a reliable predictor for the future.

The Company remains committed to 'Club Developed Players' coming through, but this needs opportunities to be given wherever possible in selection and a commitment from everyone to doing all we can to support and develop our young players.

In recent years we have invested more resources in all phases and also in awarding post-Academy contracts.

Minutes from Academy players in League 1 games increased. Our rankings in terms of Academy productivity KPIs are slowly improving. While the contribution on-the-pitch from Academy players improved but despite this investment we have some way to go to achieve our main target.

While not contributing as many minutes on-the-pitch as we would like, transfers of Academy 'Club Developed Players' yielded significant sales income in the year.

Business review

Commercial

Recurring Business Turnover from all Commercial activities including iFollow streaming, rentals and donations was £1.05m (2022/23: £873,000) a rise of +20 %. This was the best year on record. This included £95,000 (2022/23: £61,000) net income (+56% increase) earned from the third year of the restructured stadium catering business.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Match-day

Match-day ticket income comprises Season Card income, Match ticket income. It is driven by the number of tickets sold, ticket prices and the mix of full and concession prices for both Season Cards and Match tickets.

Total match-day ticket income was £2.07m (2022/23: £1.64m excluding the play-offs). This was the best on record. League match-day income was £1.39m (2022/23: £1.19m), up +15%. Season Card income was £678,000 (2022/23: £445,000), up +34% again the best in the last decade.

League game gates increased by +20% to an average of 8,004 (2022/23: 6,659). This is the highest in the last decade. The average attendance of home fans was 7,232 (2022/23: 6,263) with 771 (2022/23: 400) away fans.

Income per ticket was improved at £12.24 (2022/23: £11.61) reflecting more adults and away supporters visiting.

In addition, we earned £21,000 (2022/23: £14,000) from friendly matches.

We are grateful for every fan who gives their support.

Retail

Retail had another brilliant record-breaking year with sales up +83% at £1.0m (2021/22: £548,000 plus £68,000 relating to the play-offs), breaking the million-pound mark for the first time ever.

Community review

Our community activities are aimed at “making a difference” both to the Club, the city and the wider Cumbria and region.

This is an important part of what we do and brings pride to all of us – Club, players, staff and fans alike. As a Club we also continue to support community and charitable causes wherever possible.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Key Performance Indicators

Five-year trend

Financial

Key indicators	YE		YE		YE	*2021 and 2020 impacted by Coronavirus	YE	YE	YE
	L1		L2		L2		2021	2020*	2019*
	2024		2023		2022		2021	2020*	2019*
	£		£		£		£	£	£
Headline turnover	£8,313,429	57%	£5,286,955	11%	£4,742,833	Turnover reported in the profit and loss account (Note 3)	£4,065,719	£4,589,577	£3,614,302
Match day	£2,072,141	27%	£1,635,597	56%	£1,047,475	Season tickets and walk up pay on the day ticket income	£84,999	£702,486	£934,421
Commercial	£1,050,062	20%	£873,145	34%	£650,498	Sponsorships, advertising, hospitality, catering, lottery, other income	£323,990	£468,378	£655,868
Retail	£1,003,530	83%	£548,843	88%	£291,347	Blues store and on-line	£206,766	£184,220	£254,209
Business Turnover	£4,125,733	35%	£3,057,584	54%	£1,989,321	Recurring turnover and other income from all business activities (excluding Play-offs)	£615,755	£1,355,084	£1,844,497
Business turnover growth %	34.9%		53.7%		7.9%	n/a	n/a	n/a	-5.7%
Business margin	£2,888,738	33%	£2,174,358	59%	£1,369,614	Business turnover less Business costs	£303,942	£890,966	£1,315,283
Business margin growth %	32.9%		58.8%		4.1%	**2021/22 is versus 2018/19	n/a	n/a	1.0%
Business margin %	70%		71%		69%	Business margin/ Business turnover	49%	66%	71%
Professional Game Income	£2,258,822	34%	£1,687,365	3%	£1,634,147	EFL and Premier League income and EPPP Academy grant	£1,579,837	£1,611,285	£1,504,260
Recurring Turnover	£6,384,555	35%	£4,744,949	31%	£3,623,468	Recurring Business Turnover + Professional Game Income	£2,195,592	£2,966,369	£3,348,758
Business costs	£1,236,995	40%	£883,225	43%	£619,707	Direct costs of retail, ticketing, commercial and staging matches	£311,813	£464,118	£529,214
Overheads	£1,335,601	27%	£1,054,759	16%	£908,566	Business overheads (excluding all Football and Academy costs)	£755,878	£823,856	£829,817
Overhead cover	3.46		3.13		2.73	Business margin + EFL + PL / Overheads	1.82	2.44	2.82
Underlying Contribution (before Football Fortune or exceptionals)	£3,114,385		£2,146,358		£1,535,652	Recurring income - recurring costs + net Academy income	£644,669	£1,241,128	£1,513,747
Underlying Contribution growth %	45%		40%		1%	**2021/22 is versus 2018/19	n/a	-18%	10%
Football Fortune (net)	£1,900,928		£429,848		£740,307	Player transfer income, cup income, prizes and tv, loan players out less cup costs	£1,061,728	£1,409,058	£219,822
Other non-recurring income/(costs)	£(225,919)		£14,303		£4,758	One-off costs and income	£(3,390)	£(38,367)	£(42,938)
Exceptional income/(costs)	£0		£0		£296,861	Coronavirus exceptional income: CJRS, Premier League, donations less testing, H&S, cleaning, site costs	£886,459	£515,002	£0
Total Contribution	£4,789,394	85%	£2,590,509	1%	£2,577,578	Underlying Contribution plus all non-recurring net income	£2,589,465	£3,126,821	£1,690,631
Total Football Expenditure (TFE)	£4,047,926		£2,813,480		£2,201,778	Total expenditure on all first team Football including Player Costs	£1,870,377	£2,025,499	£2,189,249
TFE growth %	43.9%		27.8%		17.7%		-7.7%	-7.5%	-15.1%
TFE ratio	1.30		1.31		1.43	Total Football Expenditure / Underlying Contribution	2.90	1.63	1.45
Debt written off	£2,558,811		£0		£0	Purepay debt, purchased by CSG and forgiven			
Player Costs	£2,775,598		£1,840,630		£1,374,390	Player basic pay, expenses, bonuses, loans in less loans out	£1,297,556	£1,408,256	£1,545,962
Player Costs growth %	51%		34%		6%		-8%	-9%	-17%
Value on the pitch	44%		51%		52%	Proportion of Player Costs spent on minutes on the pitch	53%	49%	56%
Contingency spending	29%		21%		22%	Share of player costs not in the matchday '18'	27%	27%	21%
Wages and salaries	£4,351,459		£3,439,353		£2,926,353	Total wages & salaries for the whole Club (note 5)	£2,391,802	£2,462,010	£2,712,612
Total wages/Headline Turnover %	52.3%		65.1%		61.7%	Wages & salaries (note 5) Headline turnover	58.8%	53.6%	75.1%
Total wages/Recurring Income %	68.2%		72.5%		80.8%	Wages & salaries (note 5) Recurring Income	108.9%	83.0%	81.0%
Overall profit/(loss) after tax	£2,818,150		£(665,007)		£32,778	As per P&L accounts	£397,494	£782,205	£(666,682)
EBITDA per accounts (Note 28)	£718,676		£(222,971)		£375,804	Profit/(loss) before interest, tax, depreciation and amortisation	£722,479	£1,147,548	£(477,552)
Net player sales income	£1,862,771		£97,325		£603,825	Player transfers income, add ons and sell ons	£976,510	£1,134,675	£99,758
EBITDA (excluding player sales)	£(1,144,095)		£(320,297)		£(228,021)	EBITDA before net player sales income	£(254,031)	£12,873	£(577,311)
Recurring Income	£6,384,555		£4,744,949		£3,623,468	Recurring Business Turnover+Professional Game Income	£2,195,592	£2,966,369	£3,348,758
Recurring Income growth %	35%		31%		8%		n/a	-11%	-1%
Total assets	£17,838,480		£14,221,098		£9,914,789	Balance sheet	£9,807,723	£9,267,226	£8,662,017
Institutional funding	£0		£0		£216,763	Bank overdraft, mortgages, Finance leases	£266,599	£229,301	£250,902
Related party debt	£1,659,621		£416,977		£448,750	Amounts due to shareholders and connected parties	£448,750	£448,750	£448,750
Total gross debt	£1,895,638		£3,030,481		£3,156,513	CSG+Bank loans+Pioneer+EFL	£3,164,848	£3,061,324	£2,887,877
Change in total debt	£(1,134,843)		£(126,032)		£(8,335)		£103,524	£173,447	£629,254
Football net debt/(credit)	£(217,882)		£1,455,210		£1,373,172	UEFA debt measure: Borrowings less cash less transfer fees receivable plus transfer fees payable			

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Non-Financial

Average Attendances (League games only)

2023/24	8,004	+20%
2022/23	6,659	+34%
2021/22	4,970	
2020/21	Not reported due to Coronavirus	
2019/20	4,119	Decrease -12%

Final League position

2023/24	24	L1
2022/23	5	L2
2021/22	20	L2
2020/21	10	L2
2019/20	18	L2

Season Ticket numbers

2023/24	3,050	+38%
2022/23	2,220	+19%
2021/22	1,854	
2020/21	Not reported due to Coronavirus	
2019/20	1,921	Decrease -3.3%

Principal risks and uncertainties

Ownership risk

The Company is 93.2% owned by Holdings which in turn is owned 90% by CSG. CSG provides capital to fund the Club's needs, either in terms of long-term capital investment or subsidy of football spending to increase the ability of the Club to compete on-the-pitch or contingency emergency reserve funding. The 10% minority fan shareholder CUST does not provide funding to the Club.

Competitive risk

On-the-pitch under-performance is our principal competitive risk. Failure on-the-pitch can have immediate and adverse impact. Poor football results, leading to declining divisional position and relegation from League Two could impact hugely on Recurring Income (EFL and Premier League distributions, fans support, Business Turnover), Academy, Community and funding requirements.

The additional funding available from unpredictable Football Fortune is a factor in providing an opportunity to gain football advantage. Football Fortune allows clubs to increase football spending above sustainable levels for the short-term. Cash from cup success and player sales can make a big difference if that additional cash spending is used productively. It remains a major risk if long-term financial commitments (contracts, increased fixed costs) are made, which extend beyond short-term windfalls or if spending is not reduced when these Football Fortune windfalls reduce.

The Company maintains a Corporate Risk Register which details the principal risks we face and the controls in place. This is reviewed annually by the board.

Legislative risks

We are a public and community interest organisation. The Company operates highly regulated activities and is subject to a wide range of legislation, regulation and external scrutiny. The regulatory regimes of the EFL and FA are increasingly complex, and the regulatory risks are high. Compliance costs are increasing significantly and quickly. In this context, we recognise specific knowledge and expertise in football is increasingly important, alongside proper governance and a responsible culture.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Financial risks

The financial risk faced by the Club changed during the year. From November 2023 we no longer operate a self-financing model. We have the support of shareholder funding from CSG to subsidise losses, fund investment or cover exceptional events. Cash received from player sales remains important.

We have retained some reserves of cash (£0.8m at the year-end). These cash reserves will be used in 2024/25 and new shareholder funding will be required to subsidise Total Football Expenditure and investment in capital projects. This is committed and available from CSG.

The main financial risk for the Company is now the liquidity risk that the Company could encounter in meeting its financial obligations for ongoing expenses, in particular wages and tax obligations, in the event the CSG is unable to provide funding. This is remote at this time. The Company mitigates these liquidity risks by the continual review and management of the source and sufficiency of funding to support its plans and activities.

It is always the responsibility of the Club's directors to provide sustainable stewardship of the Club. We must continue to take the tough financial decisions to match our expenditure with our available funding and reduce our financial risks.

Prospects for 2024/25 and beyond

We expect to see some increase in Business Turnover from commercial and hospitality investments but matchday and retail income will come under pressure in 24/25 as the optimism from the change in ownership is balanced by the disappointment of relegation, after a record-breaking year.

The long-term opportunity from catering coming in-house is already yielding results and the investment being made from mid-2024 will help it reach its potential. Price inflation is expected to lead to higher retail purchase costs, staff payroll costs off-the-pitch along with increased overhead costs like insurance and energy. An increase in Business Costs and staff numbers to grow and support the management of a bigger and more dynamic business is also planned

We expect to increase our Player Cost spending very significantly in 2024/25 in the quest to reverse on field performance. We also plan to increase our spending on Other Football Costs as we invest in football staff and operations to support this plan. EFL income will broadly unchanged despite relegation as the new EFL TV takes effect, but Premier League distributions will fall 2024/25 after moving back to League 2. Significant capital investment is planned to improve Brunton Park and the initial phase of the development of a new training facility.

All these changes will result in a significant loss in 24/25. CSG has committed to provide the funding to support this. This is before the benefits of any unplanned Football Fortune windfalls that could arise.

Brunton Park

Despite further work in 2020/21 by the Environment Agency to mitigate flood risk in Carlisle, Brunton Park remains in a high-risk area for flooding and most areas of the buildings are well over 50-years old. Climate change worsens the risks. At the same time, the flood insurance available to us is continuing to be constrained and high cost.

After the change of ownership, questions over long-term ownership, direction and vision of the Club are finally settled.

Our new ownership now provides an opportunity to deal with stadium issues. From the start of 2024, steps forward have immediately been taken with more investment in the six months to the year-end than in the prior decade.

We have reported in prior years, the challenges of the stadium facilities are increasing. We will continue to invest in improvements, starting with work to complete the East stand internal fit out. This will improve the long-term sustainability of the Club and its ability to grow commercially.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Finally

I would like to thank all the fans, businesses and community who supported the Club, its players and staff in the first year of new ownership. It has been a privilege to lead this incredible club in this first year, and as I reflect on all we have achieved together, I am filled with immense pride, gratitude, and excitement for what lies ahead.

When we took over last November, our vision was clear: to build a sustainable, ambitious, and thriving future for Carlisle United while staying true to the traditions and spirit that make this Club so special.

Thanks to your unwavering support and belief, we've made significant progress toward realising that vision, but we are only just getting started.

The improvement on the pitch is of the utmost importance. Rest assured, the ownership group understands this and is pushing forward on all fronts to improve our position, move up the table, and, ultimately, ascend the football pyramid.

Looking back on the period up to the approval of the accounts there are so many things to highlight. Strengthening Football Operations, fan-focused enhancements and investment, increased support for Players and staff, measures to bring sustainability, growth and development, celebrating our heritage and increasing engagement, improved communication and transparency.

These accomplishments represent the foundation of something much bigger. Carlisle United is poised for greatness, and together, we will build the Club into a regional powerhouse that truly Owns the North. With our ambitious plans for growth, we are determined to make Carlisle United a Club that inspires pride, not just in Cumbria, but throughout the football world.

This is only the beginning. The future for Carlisle United Football Club is incredibly bright, and I could not be more excited about the journey ahead. Thank you for your passion, belief, and unwavering support. It is your energy that drives us forward every single day. Here's to the next chapter and to an even greater future for the Blues!

With gratitude and ambition,

Tom Piatak

.....
Mr T Piatak
Chairman

~~March 26, 2025~~

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The directors present their annual report and financial statements for the year ended 30 June 2024.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J L Nixon	(Resigned 30 June 2024)
Ms S C Kidd	
Mr N Clibbens	
Mr N Davidson	(Resigned 7 December 2023)
Mr T W Piatak	(Appointed 22 November 2023)
Mrs P R Piatak	(Appointed 22 November 2023)
Mr T Piatak II	(Appointed 22 November 2023)
Mrs A Piatak	(Appointed 22 November 2023)
Mr N Demasi	(Appointed 22 November 2023)
Ms J Piatak	(Appointed 22 November 2023)
Mr M Spooner	(Appointed 27 December 2023)

Results and dividends

The results for the year are set out on page 17.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Disabled persons

The company's policy with regard to the employment of disabled persons is that equal consideration is given to all applications from both able and disabled persons, subject only to the overriding consideration of safety. The special needs of disabled employees for training and advancement, including employees who become disabled, are kept under review.

Employee involvement

The company recognises the importance of good communication with employees and has encouraged the development of employee involvement in various operating departments. The details of direct involvement processes are different in each operating department and have been developed over the year by management working with their employees in ways that suit their particular needs and environment.

Auditor

The auditor, MHA, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management objectives and policies, and future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

On behalf of the board



.....
Mr N Clibbens

Director

March 26, 2025

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

Opinion

We have audited the financial statements of Carlisle United Association Football Club (1921) Limited (the 'company') for the year ended 30 June 2024 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED (CONTINUED)

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Review of minutes of board meetings;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.
- Review of the systems for recording revenue and testing a sample of revenue transactions to ensure they occurred.
- Review a sample of sales invoices around the year end to test cut off has been correctly applied.
- Performing revenue proof in totals, ensuring income recognised was correct to be included in the accounts.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Paul Williams BA(Hons) FCA

Senior Statutory Auditor

For and on behalf of MHA, Statutory Auditor

Preston, United Kingdom

March 26, 2025
.....

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 £	2023 £
Turnover	3	8,313,429	5,286,955
Cost of sales		(5,533,249)	(4,030,610)
Gross profit		2,780,180	1,256,345
Administrative expenses		(2,623,848)	(1,824,811)
Other operating income		49,935	51,413
Exceptional item	4	2,558,811	-
Operating profit/(loss)	5	2,765,078	(517,053)
Interest receivable and similar income	8	53,489	5,181
Interest payable and similar expenses	9	(417)	(153,135)
Profit/(loss) before taxation		2,818,150	(665,007)
Tax on profit/(loss)	10	-	-
Profit/(loss) for the financial year		2,818,150	(665,007)
Other comprehensive income			
Revaluation of tangible fixed assets		-	4,392,620
Tax relating to other comprehensive income		(37,000)	(1,020,000)
Total comprehensive income for the year		2,781,150	2,707,613

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**BALANCE SHEET****AS AT 30 JUNE 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Intangible assets	11		418,590		53,334
Tangible assets	12		14,412,098		11,941,977
			<u>14,830,688</u>		<u>11,995,311</u>
Current assets					
Stocks	13	380,485		129,481	
Debtors falling due after more than one year	14	507,550		-	
Debtors falling due within one year	14	1,318,113		508,851	
Cash at bank and in hand		801,644		1,587,455	
			<u>3,007,792</u>	<u>2,225,787</u>	
Creditors: amounts falling due within one year	15	(5,055,546)		(4,060,702)	
Net current liabilities			<u>(2,047,754)</u>	<u>(1,834,915)</u>	
Total assets less current liabilities			12,782,934		10,160,396
Creditors: amounts falling due after more than one year	16		(185,017)		(352,250)
Provisions for liabilities					
Deferred tax liability	18	1,097,000		1,060,000	
			<u>(1,097,000)</u>	<u>(1,060,000)</u>	
Government grants	19		(610,818)		(639,197)
Net assets			<u>10,890,099</u>		<u>8,108,949</u>
Capital and reserves					
Called up share capital	21		144,891		144,891
Revaluation reserve			8,633,275		8,813,132
Profit and loss reserves			2,111,933		(849,074)
Total equity			<u>10,890,099</u>		<u>8,108,949</u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2024

The financial statements were approved by the board of directors and authorised for issue on **March 26, 2025**
and are signed on its behalf by:


.....
Mr N Clibbens
Director

Company registration number 00175280 (England and Wales)

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2024**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2022	144,891	5,495,517	(239,072)	5,401,336
Year ended 30 June 2023:				
Loss	-	-	(665,007)	(665,007)
Other comprehensive income:				
Revaluation of tangible fixed assets	-	4,392,620	-	4,392,620
Tax relating to other comprehensive income	-	(1,020,000)	-	(1,020,000)
Total comprehensive income	-	3,372,620	(665,007)	2,707,613
Transfers	-	(55,005)	55,005	-
Balance at 30 June 2023	144,891	8,813,132	(849,074)	8,108,949
Year ended 30 June 2024:				
Profit	-	-	2,818,150	2,818,150
Other comprehensive income:				
Tax relating to other comprehensive income	-	(37,000)	-	(37,000)
Total comprehensive income	-	(37,000)	2,818,150	2,781,150
Transfers	-	(142,857)	142,857	-
Balance at 30 June 2024	144,891	8,633,275	2,111,933	10,890,099

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	28		1,298,176		385,297
Interest paid			(417)		(5,323)
Net cash inflow from operating activities			<u>1,297,759</u>		<u>379,974</u>
Investing activities					
Purchase of intangible assets		(496,000)		(77,500)	
Purchase of tangible fixed assets		(1,610,859)		(144,515)	
Proceeds on disposal of tangible fixed assets		10,000		-	
Interest received		53,489		5,181	
Net cash used in investing activities			<u>(2,043,370)</u>		<u>(216,834)</u>
Financing activities					
Repayment of borrowings		(40,200)		(39,800)	
Repayment of bank loans		-		(119,966)	
Net cash used in financing activities			<u>(40,200)</u>		<u>(159,766)</u>
Net (decrease)/increase in cash and cash equivalents			<u>(785,811)</u>		<u>3,374</u>
Cash and cash equivalents at beginning of year			<u>1,587,455</u>		<u>1,584,081</u>
Cash and cash equivalents at end of year			<u><u>801,644</u></u>		<u><u>1,587,455</u></u>

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Company information

Carlisle United Association Football Club (1921) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brunton Park, Warwick Road, Carlisle, CA1 1LL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies (Continued)

1.2 Going concern

In accordance with their responsibilities the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

During the year ended 30 June 2024 the shareholders of the parent company C.U.F.C. Holdings Limited ("Holdings") agreed a sale of shares which has led to a change of ownership of Holdings and control of the Club. On 22 November 2023, Castle Sports Group Limited ("CSG") acquired 90% ownership of Holdings.

The directors have prepared projections up to 30 June 2026. The projections indicate that, during the year ending 30 June 2026, further funding of between £3.5m and £4.0m could be required from CSG, via the ultimate parent company and controlling parties. This range takes account of various assumptions including the league status of the club for the 2025/26 season, and excludes any potential inflows from transfer sell ons.

The company has received confirmation of continued support from CSG to meet its obligations as they fall due for at least 12 months from the approval of these financial statements. The directors are also satisfied that CSG, via the ultimate parent company and controlling parties, has the financial resources to provide this support.

With this confirmation, the directors believe the company will have sufficient funds to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of approving the financial statements.

After considering the impact of the above, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover comprises net gate and ticket receipts, television and sponsorship revenue, shop programmes, receipts from the Football League and Premier League and other commercial and miscellaneous income exclusive of Value Added Tax. Season ticket and sponsorship income received prior to the year end in respect of the following football season is treated as deferred income.

1.4 Intangible fixed assets other than goodwill

Player registration fees are capitalised as intangible assets and are initially recognised at cost. After recognition, under the cost model, the registrations are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	10% per annum straight line
Player registrations - straight line over the period of the initial contract	

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% or 33% per annum straight line
Plant and machinery	33%, 25% or 10% per annum straight line
Motor vehicles	25% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

For freehold land and buildings held at valuation, the basis of the valuation is depreciated replacement cost for the football stadium and open market value for residential property and the club shop.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.15 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing the asset lives, factors such as physical condition are taken into account. Residual values consider matters such as future market conditions and the remaining estimated life of the premises to calculate their net present values.

Individual freehold properties are carried at revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fair values are determined from market based evidence such as future market conditions. The basis of the valuation is depreciated replacement cost for the football stadium and open market value for residential property and the club shop.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2024	2023
	£	£
Turnover analysed by class of business		
Matchday	2,099,261	1,715,468
Commercial	866,324	642,291
Retail	1,003,537	616,350
Football fortune	1,919,140	373,162
Professional game	2,251,894	1,704,587
ifollow	131,902	163,726
Donations	41,371	71,371
	<u>8,313,429</u>	<u>5,286,955</u>
	2024	2023
	£	£
Other revenue		
Interest income	53,489	5,181
Grants received	28,378	28,378
Rent receivable	21,557	23,035
	<u>103,424</u>	<u>56,694</u>

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****4 Exceptional item**

	2024	2023
	£	£
Expenditure		
Release of debt	(2,558,811)	-

During the year the shareholders of the parent company C.U.F.C. Holdings Limited ("Holdings") agreed a sale of shares which has led to a change of ownership of Holdings and control of the Club. On 22 November 2023, Castle Sports Group Limited ("CSG") acquired 90% ownership of Holdings with CUOSC retaining 10%. The loan due to Purepay Retail Limited ("PRL") by the company was settled by CSG. CSG then released the company of the amount previously due to CSG, resulting in a credit to the profit and loss account which is shown as the exceptional item above.

5 Operating profit/(loss)

	2024	2023
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Government grants	(28,378)	(28,378)
Fees payable to the company's auditor for the audit of the company's financial statements	18,000	16,350
Depreciation of owned tangible fixed assets	432,834	266,127
Profit on disposal of tangible fixed assets	(1,000)	-
Amortisation of intangible assets	130,744	56,333
Operating lease charges	5,407	15,356

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024	2023
	Number	Number
Number of administrative staff	153	111
Number of football staff	86	73
Total	239	184

Their aggregate remuneration comprised:

	2024	2023
	£	£
Wages and salaries	3,933,462	3,126,863
Social security costs	374,564	276,073
Pension costs	43,433	36,600
Total	4,351,459	3,439,536

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****7 Directors' remuneration**

	2024	2023
	£	£
Remuneration for qualifying services	121,833	109,935
Company pension contributions to defined contribution schemes	4,873	4,361
	<u>126,706</u>	<u>114,296</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2023 - 2).

8 Interest receivable and similar income

	2024	2023
	£	£
Interest income		
Interest on bank deposits	53,489	5,181
	<u>53,489</u>	<u>5,181</u>

9 Interest payable and similar expenses

	2024	2023
	£	£
Interest on bank overdrafts and loans	417	5,323
Other interest on financial liabilities	-	147,812
	<u>417</u>	<u>153,135</u>

10 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2024	2023
	£	£
Profit/(loss) before taxation	2,818,150	(665,007)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 25.00% (2023: 20.50%)	704,538	(136,326)
Tax effect of expenses that are not deductible in determining taxable profit	33,633	8,111
Change in unrecognised deferred tax assets	(181,960)	98,473
Depreciation on assets not qualifying for tax allowances	63,658	37,660
Other permanent differences	(274)	(2,101)
Grants released not taxable	(7,095)	(5,817)
Debt release not taxable	(612,500)	-
Taxation charge for the year	<u>-</u>	<u>-</u>

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****10 Taxation****(Continued)**

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2024	2023
	£	£
Deferred tax arising on:		
Revaluation of property	37,000	1,020,000

Factors affecting future tax and charges

In March 2021 the Chancellor confirmed, in the budget, an increase in the corporation tax rate from 19% to 25%. The Finance Bill 2021 had its third reading on 24 May 2021 and is now considered substantively enacted. The timing differences expected to reverse on or after 1 April 2023 have been accounted for at 25% and therefore deferred tax has been provided for at 25% (2023: 25%).

At the year end the company had estimated tax losses of £1,988,762 (2023: £2,168,331) available to carry forward against future taxable trading profits.

11 Intangible fixed assets

	Software	Player registrations	Total
	£	£	£
Cost			
At 1 July 2023	-	129,500	129,500
Additions	5,000	491,000	496,000
Disposals	-	(109,500)	(109,500)
At 30 June 2024	5,000	511,000	516,000
Amortisation and impairment			
At 1 July 2023	-	76,166	76,166
Amortisation charged for the year	125	130,619	130,744
Disposals	-	(109,500)	(109,500)
At 30 June 2024	125	97,285	97,410
Carrying amount			
At 30 June 2024	4,875	413,715	418,590
At 30 June 2023	-	53,334	53,334

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****12 Tangible fixed assets**

	Freehold land and buildings	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 July 2023	11,755,000	560,416	34,250	12,349,666
Additions	2,290,704	548,561	72,690	2,911,955
Disposals	-	-	(46,250)	(46,250)
At 30 June 2024	14,045,704	1,108,977	60,690	15,215,371
Depreciation and impairment				
At 1 July 2023	-	373,439	34,250	407,689
Depreciation charged in the year	297,103	127,063	8,668	432,834
Eliminated in respect of disposals	-	-	(37,250)	(37,250)
At 30 June 2024	297,103	500,502	5,668	803,273
Carrying amount				
At 30 June 2024	13,748,601	608,475	55,022	14,412,098
At 30 June 2023	11,755,000	186,977	-	11,941,977

Tangible fixed assets with a carrying amount of £205,800 (2023: £210,000) have been pledged to secure the overdraft facility of the company.

Included within freehold property is land with a valuation of £6,000 (2023: £6,000) which is not depreciated.

A valuation of all land and building assets was undertaken by PFK Rural Limited, external valuers and members of The Institute of Chartered Surveyors, as at 1 August 2023. In the opinion of the directors, this is a true and fair reflection of the value of the property at 30 June 2023 and 30 June 2024.

The basis of the revaluation was depreciated replacement cost for the football stadium and open market value for residential property and the club shop.

If freehold property were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

2024: Cost £6,862,991; accumulated depreciation £2,844,664; carrying value £4,018,327

2023: Cost £4,572,286; accumulated depreciation £2,690,417; carrying value £1,881,869

13 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	380,485	129,481

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****14 Debtors**

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	716,147	154,362
Other debtors	236,425	2,399
Prepayments and accrued income	365,541	352,090
	<u>1,318,113</u>	<u>508,851</u>
	2024	2023
	£	£
Amounts falling due after more than one year:		
Trade debtors	<u>507,550</u>	<u>-</u>
Total debtors	<u>1,825,663</u>	<u>508,851</u>

The debtors total includes £1,019,526 (2023: £132,245) of transfer fees receivable.

15 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other borrowings	17	-	40,200
Trade creditors		1,344,853	592,843
Amounts owed to group undertakings		1,659,621	-
Taxation and social security		130,616	247,961
Other creditors		76,310	2,638,031
Accruals and deferred income		1,844,146	541,667
		<u>5,055,546</u>	<u>4,060,702</u>

Included within other creditors is £nil (2023: £2,558,811) which is secured by way of a fixed and floating charge over Brunton Park and land around Brunton Park.

16 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Other creditors	<u>185,017</u>	<u>352,250</u>

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****17 Loans and overdrafts**

	2024	2023
	£	£
Other loans	-	40,200
	<u> </u>	<u> </u>
Payable within one year	-	40,200
	<u> </u>	<u> </u>

The other loan was an interest free loan from the EFL repayable in installments with the final payment made on 1 April 2024.

18 Provisions for liabilities

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2024	2023
	£	£
Balances:		
Freehold property revaluations	1,097,000	1,060,000
	<u> </u>	<u> </u>
Movements in the year:		2024
		£
Liability at 1 July 2023		1,060,000
Charge to other comprehensive income		37,000
		<u> </u>
Liability at 30 June 2024		1,097,000
		<u> </u>

As at the signing date of these financial statements, the company has not finalised its capital expenditure programme for the forthcoming year and therefore an assessment as to the likely movement of other relating timing differences cannot be made.

19 Government grants

Arising from government grants	610,818	639,197
	<u> </u>	<u> </u>

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2024****20 Retirement benefit schemes**

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	43,433	36,600

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company by NEST. The pension cost charge represents contributions payable by the company. An amount of £6,892 (2023: £3,126) is included in other creditors at the year end and is to be paid to NEST.

21 Share capital

	2024	2023	2024	2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	144,891	144,891	144,891	144,891

22 Financial commitments, guarantees and contingent liabilities

Transfer agreements sometimes involve additional payments or receipts depending upon the future performance of the player and club. At the year end, possible future payments amounting to £25,000 (2023: £nil) existed under such agreements.

23 Operating lease commitments**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	-	5,407

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2024	2023
	£	£
Acquisition of tangible fixed assets	1,844,729	-

25 Events after the reporting date

Post year end, additional transfer fee income relating to former players of £55,500 (2023: £1,109,226) became receivable by the company.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

26 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2024	2023	2024	2023
	£	£	£	£
Other related parties	-	8,125	-	12,055
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2024	2023
	£	£
Entities with control, joint control or significant influence over the company	1,659,621	-
Other related parties	-	453,365
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2024	2023
	£	£
Other related parties	-	21,390
	<u> </u>	<u> </u>

Other information

The company has received personal guarantees from certain directors of the immediate parent company, in respect of a loan provided to the company. The amount of the guarantee is £nil (2023: £2,558,811).

During the year the company was released of group creditors totalling £2,558,811 (2023: £nil), as shown in the exceptional items note.

27 Ultimate controlling party

The company is a 93.2% subsidiary of C.U.F.C Holdings Limited, a company incorporated in England and Wales and whose registered office is Brunton Park, Warwick Road, Carlisle, Cumbria, CA1 1LL.

On 22 November 2023, Castle Sports Group Limited acquired 90% ownership of C.U.F.C Holdings Limited.

The largest and smallest group in which the results of the company are consolidated is that headed by Castle Sports Group Limited, registered office 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Cardiff.

The company is under the ultimate control of Mr T W Piatak and Mrs P R Piatak.

CARLISLE UNITED ASSOCIATION FOOTBALL CLUB (1921) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

28 Cash generated from operations

	2024 £	2023 £
Profit/(loss) for the year after tax	2,818,150	(665,007)
Adjustments for:		
Finance costs	417	5,323
Investment income	(53,489)	(5,181)
Gain on disposal of tangible fixed assets	(1,000)	-
Amortisation and impairment of intangible assets	130,744	56,333
Depreciation and impairment of tangible fixed assets	432,834	266,127
(Decrease)/increase in deferred income	(28,379)	61,622
Movements in working capital:		
Increase in stocks	(251,004)	(7,377)
Increase in debtors	(1,316,812)	(100,180)
(Decrease)/increase in creditors	(433,285)	773,637
Cash generated from operations	<u>1,298,176</u>	<u>385,297</u>

Included within the above total is £975,490 (2023: £175,989) of receipts from the transfer of player registrations. Excluding this, cash generated from operations was an inflow of £322,686 (2023: inflow of £209,308) as shown below:

Cash generated from operations	1,298,176	385,297
Receipts from transfer of player registrations	975,490	175,989
Cash generated from operations - excluding receipts from transfer of player registrations	<u>322,686</u>	<u>209,308</u>

29 Analysis of changes in net funds

	1 July 2023 £	Cash flows £	30 June 2024 £
Cash at bank and in hand	1,587,455	(785,811)	801,644
Borrowings excluding overdrafts	(40,200)	40,200	-
	<u>1,547,255</u>	<u>(745,611)</u>	<u>801,644</u>