



TOGETHER, WE ARE KENT



KENT COUNTY CRICKET CLUB LIMITED

Notice of Annual General Meeting (2016)
Reports and Accounts (2015)

Registered Office:
The Spitfire Ground, St Lawrence,
Old Dover Road, Canterbury, Kent CT1 3NZ
Registered under the Industrial
and Provident Societies Act 1965
Register No. 28955R

**Members will be admitted to the
Annual General Meeting only on
production of this Notice and
evidence of 2016 membership**



NOTICES



SUBSCRIPTIONS

Members are reminded that subscriptions become payable on January 1 each year. Members' passes will be issued only after payment of the subscriptions, unless the member has subscribed to the multiple Direct Debit option.

Members who have not already paid their subscriptions are asked to complete and return the enclosed Subscription Remittance form together with their payment.

Please consider paying the subscription by Direct Debit – it saves time and trouble for you and the Club.

KENT COUNTY CRICKET CLUB ANNUAL

Annuals will be available at the start of the season. They may be collected from the Club Shop, either at The Spitfire Ground, St Lawrence, or at Home grounds when the first eleven is playing. Annuals will be posted to Members who are unable to collect them upon request (£3 postage, plus the applicable Annual charge).

ANNUAL GENERAL MEETING ~ MEMBERS' QUESTIONS

In order that full and complete answers to questions at the Annual General Meeting can be provided, Members are requested to submit these in writing to the Chief Executive by close of business on Friday 1st April 2016. This request does not preclude the membership from asking spontaneous questions at the meeting.



KENT COUNTY CRICKET CLUB LIMITED

The Spitfire Ground, St Lawrence, Canterbury, Kent

Dear Sir/Madam

The ANNUAL GENERAL MEETING of Members of Kent County Cricket Club Limited will be held in the Harris Room, Kent County Cricket Club, The Spitfire Ground, St Lawrence, Old Dover Road, Canterbury, Kent CT1 3NZ on Monday 4th April 2016 at 7.00pm.

Yours faithfully
(Sgd.) J A S Clifford
Chief Executive

AGENDA

1. To confirm the Minutes of the Annual General Meeting of Members of Kent County Cricket Club Limited held in the Harris Room, Kent County Cricket Club, The Spitfire Ground, St Lawrence, Old Dover Road, Canterbury, Kent CT1 3NZ on Tuesday 14th April 2015.
2. To announce the result of the election of Members to the General Committee.
3. To receive the General Committee Report for 2015.
4. To receive the Accounts for 2014/2015.
5. To appoint Auditors for 2015/2016.
6. To introduce the President for 2016.
7. Playing performance in 2015 and prospects for 2016.
8. Any Other Business

NB: The Minutes of the 2015 Annual General Meeting will be available for inspection by Members at The Spitfire Ground, St Lawrence during normal office hours (9.00 am to 5.00 pm – Monday to Friday) from Monday 28th March 2016 to Monday 4th April 2016 inclusive, and between 5.00 pm and 6.30 pm on Monday 4th April 2016.

A copy of the Club Rules is available on the Club website (www.kentcricket.co.uk). Alternatively, these can be sent to Members via email, upon request.



KENT COUNTY CRICKET CLUB LIMITED

2015

Patron: H R H The Duke of Kent, KG

President: Lady Kingsdown, OBE

Past Presidents:

R J Baker White	A Levick
R Bevan, MBE	P Morgan
R E C Collins, FRCS	R H B Neame, CBE, DL
A A Dunning, DL	C F Openshaw
P H Edgley	J F Pretlove
G W Johnson	J N Shepherd
N Héroys, MA, FCA	D G Ufton
D S Kemp, MA	D L Underwood, MBE
G M Kennedy, CBE	

Honorary Life Members:

HRH The Duke of Edinburgh, KG	D S Kemp, MA
HRH The Duke of Kent, KG	A P E Knott
A A Dunning, DL	A Levick
P H Edgley	C F Openshaw
J C Foley	D G Ufton
N Héroys, MA, FCA	D L Underwood, MBE

Chairman: G M Kennedy, CBE

Vice Chairman: R E C Collins, FRCS

Honorary Treasurer: S R C Philip

Chief Executive Officer: J A S Clifford

Captain: R W T Key

Honorary Medical Adviser: Dr J B Thompson, MBBS

Honorary Curator: D J Robertson

Independent Auditors: Kreston Reeves LLP

Solicitors: Girlings

Bankers: National Westminster Bank plc



GENERAL COMMITTEE

From 2013 (for three years)

J M Baker White
B R K Moorhead
J Shepherd

From 2014 (for three years)

G M Kennedy, CBE
J N H Rice
D R Taylor

From 2015 (For three years)

J L Clark
R E C Collins
P Morgan

Co-opted 2015

D Barnard
(Nominee of Kent Cricket Supporters' Club)
D H W Turner
(Nominee of Kent Cricket Board)



GENERAL COMMITTEE NOMINATIONS

Mr J M Baker White, Mr J N Shepherd and Mr B R K Moorhead DL all stood for election and there being no other candidates a ballot was not required.

For the information of Members:

Mr J M Baker White

Member of the Kent Committee since 2005, Management Board Member 2006-2010 (disbanded) and Ground Redevelopment working party 2006-2010. A Kent member since 1989, Junior Member 1972-78. Direct Forbear founded Modern Club in 1870. For 26 years partner in family farming and commercial business at Street End which celebrated 150 years of business in 2010. Previously worked as a sportswear buyer, a regional manager in an ancillary services business, running all services in the Palace of Westminster and set up a branch of the company in Oman (Brengreen Holdings PLC). Playing Member of MCC, for whom he has played and managed over 150 games, been on two representative tours in 1998 and 1999. Playing member of Free Foresters, Band of Brothers and Shepway Stragglers CC. On Committee of Shepway Stragglers CC, Benevolent Board of Band of Brothers, retiring in 2015. Chairman of Harbledown Hermits CC for 10 years, retiring in 2014. Formerly played First Team Surrey League Cricket for Sutton. U19 Cricket and Rugby for Herts. Mark Baker White is a Hoppers Tie Club Member. He has also been a member of Kent Committee Country Land and Business Association since 2001. Member of Central Policy Committee for CLA from 2009-2015. Vice Chairman of Kent Committee 2012-2014. Interests include most sports, particularly skiing, history, current affairs, agriculture and the countryside. Excellent attendance record in Committee going back to 2005.

Mr J N Shepherd

Born in St Andrew, Barbados and spotted by Les Ames and Colin Cowdrey while playing for a Barbados 'B' Team against The Rothmans Cavaliers in 1956, and invited to join Kent. Qualified for Kent in 1965 and 1966 while playing for St Lawrence & Highland Court CC. Played for Kent from 1967 - 1981 before moving to Gloucestershire CCC for the 1982 - 1984 seasons. Appointed Coach at Gloucestershire 1985 - 1989. Represented Barbados in The Shell Shield Cricket competition and played 5 test Matches for the West Indies; represented Rhodesia, now Zimbabwe in the Currie Cup in 1975; also played Grade cricket in Melbourne, Australia, for Footscray Edgewater CC, winning the coveted Ryder Medal in 76/77 season. Appointed Cricket Professional at Eastbourne College in Sussex 1991-1998, before taking up a post in Antigua as the ICC Development Manager for the Americas; also worked for a Travel company escorting clients on England cricket tours. Appointed President of Kent County Cricket Club in 2011, the highlight of his career.

Mr B R K Moorhead DL

Six years on the General Committee. He is a solicitor and partner of Hewitson Moorhead a London and Regional firm. He specialises in Corporate Finance, Commercial and Sports Law. He is determined to see the Club secure a solid financial future coupled with success on the field. A conservationist, he advises the Club on trees and appreciates there is more to do. In his work, he acts for sports clubs and public bodies, including many National Sports Governing bodies including tennis, taekwondo, shooting and disability and paralympic sports. Trustee of: Regain - The Trust for Sports Tetraplegics (helps sports people paralysed by spinal injury to rebuild their lives); the Mountbatten Memorial Trust (youth work projects in deprived areas); The Canterbury Cathedral Trust; Director of British Universities and College Sport (BUCS) and The Clay Pigeon Shooting Association (CPSA); Chairman, Wye Future Group (environmental lobbying); and a Governor of Wellesley House School. School cricketer. Played for Mersham Le Hatch and Shepway Stragglers; Clubs: MCC. Devout Gillingham FC supporter; 2015. Appointed Deputy Lieutenant for Kent



RECORD OF MEETINGS HELD IN 2015/2016 AND ATTENDANCE FIGURES

	General Committee
Number of Meetings Held	7
J M Baker White	7
D Barnard	7
J L Clark	7
R E C Collins	6
G W Johnson	7
G M Kennedy, CBE	7
Lady Kingsdown, OBE	4
B R K Moorhead	6
S R C Philip	7
J N H Rice	6
J N Shepherd	5
D R Taylor	5
D W Turner	5



PRESIDENT'S WELCOME

Year ending 31 October 2015

In welcoming you to this year's Annual Report, it has been hugely encouraging to observe the progress made in our financial position, whilst facing some extremely challenging circumstances. I hope that the darkest days the Club has experienced are now behind us.

It has been such an honour to have served as President for the past 12 months and I would like to thank everyone at the Club and beyond for making it such a very special experience.

I am absolutely thrilled that the General Committee has asked that I serve as President for a further year, which I have been delighted to accept. It has been nothing but a pleasure to hold this most special of posts so to have the opportunity of another year as President is more exciting than I could have imagined.

May I wish all the players, staff, sponsors, members and supporters a wonderful year in 2016 – let's hope it is a winning one.

Lady Kingsdown OBE
President 2015

GENERAL COMMITTEE REPORT

Year ending 31 October 2015

2015 was a memorable year for all involved with the Club. For the drama on the field of play and for the considerable challenges faced off it, it will not be forgotten for a long while. All should take much pride in what was ultimately accomplished in difficult circumstances, but be assured that having to come through a tough year fuels the determination to take the Club back to where Kent County Cricket Club has been historically. Not only financially sound; but regularly competing for honours.

The General Committee's desire to see the Club lead the way on the field remains undiminished.

Whilst these ambitions were not realised in 2015 there was much to be heartened by. The progress made in Twenty20 and 50-over cricket, with some stand out performances, was particularly encouraging. To make the quarter-finals of both competitions was extremely exciting, although the nature of exit in each case was hard to take. Of course, we would all have loved to see Kent progress to the final stages, but let's hope that what we did see was an early sign of a period of dominance in these forms of the game.

In the County Championship, it is acknowledged that there is much work to do but the Club is delighted that so many players have committed their futures to the Club and it is hoped that together they can work to deliver the success that all are so keen to see. The Club went through 2015 without an overseas player; a policy that ensured that many players got an opportunity to take leading roles.

Two such players to take on greater responsibility were Sam Billings and Daniel Bell-Drummond and they must be congratulated on the call-ups for England and England Lions that came at the end of the season. Let's hope that others, who are also making a case for representative selection in the future, will join them soon. Most worthy of consideration would be Matt Coles and Sam Northeast. Coles was the deserving Club 'Player of the Season' and Northeast was appointed Club Captain shortly after the end of the season.

The opportunity for Northeast to captain was presented as Rob Key took a step back from on-field leadership. Whilst he remained Club Captain he handed over day-to-day responsibility of the team. At the end of the season he decided formally to stand down as Club Captain. Rob Key's nine-year tenure was the longest captaincy at Kent since Colin Cowdrey's 15-year spell in the role from 1957 to 1971 and the Club owes him a huge debt. His playing record stands for all to see but his role as Club Captain cannot be underestimated and something the Club will benefit from the foundations of his work over the years to come.



During the year the Club also faced a host of significant moments off the field.

The County Ground, Beckenham was reopened in the spring having undergone a multi-million pound transformation. Two of Beckenham's finest cricketers, Rob Key and Derek Underwood MBE, performed the official duties as they unveiled a plaque in the indoor school. It was fantastic to see the new look ground with all the facilities up and running for the return of first class cricket in May. ECB recognised what had been achieved with a Business of Cricket Award for Strategy and Innovation presented to the Club in November. The re-establishment and development of a host of year round activities is now the focus of activity at the ground. The expectation is that the Club will now grow this venue and develop an outstanding base for Kent Cricket within metropolitan Kent.

Cricket away from Canterbury enjoyed a very good year, with Tunbridge Wells also back with a full festival week, which even included a sell-out NatWest T20 Blast fixture. The support of long-time Kent supporter and Lord's Taverner Freddie Cook in making this happen should not pass without the Committee's grateful thanks.

The highlight of the season at The Spitfire Ground, St Lawrence was when the Club hosted the opening game of the Ashes tour. Excellent crowds enjoyed four sunny days of quality cricket. The Club received excellent feedback from first time visitors to the ground and from Cricket Australia too. It is hoped that they might request Canterbury as the ideal venue for preparation in future Ashes tours.

Canterbury Week was also a high point, as it became an extended festival for the first time, with the Women's Ashes Test match coming to Kent. Sadly we could not welcome a world-record crowd, but had it not been for terrible weather the match would have seen the highest attendance for a Women's Test match.

Kent County Cricket Club and Kent Cricket Board became a single operation at the end of 2014, an arrangement that is quickly bearing fruit. Commercial revenues have been secured for the community team's activity for the first time and a far greater sense of purpose, aligned to the objectives of the Club has been felt. This was a groundbreaking project and it is excellent that Kent is now seen by ECB as leading in this area.

Record numbers of business partners (sponsors and Team Kent) were secured for the season, many of whom are now in long-term agreements that will see them supporting the Club for years to come. We welcome Go-Tec as our new County Championship shirt sponsor and Barretts as our new training kit partner. Our partners provide the bedrock for all activities that the Club undertakes and we are extremely grateful for their continued support. At the back of the Report and Accounts is a page that lists our business partners. We are very fortunate to enjoy their on-going support.

The Club saw a record number of positive responses from members and supporters in the end of season customer surveys (over 70 percent rating their satisfaction level as good and excellent). In addition, customer survey scores for individual matches increased across the season too. Kent Cricket is clearly becoming a popular place for people to enjoy a great time, as evidenced by uplift in crowds (the Club experienced the highest aggregate attendance for a completed season since 2009). Response to post-match surveys will continue to inform how we try to ensure everyone who comes to a Kent fixture has a day to remember.

It is very good to be able to report that record levels of replica shirt sales were achieved with the innovative NatWest T20 Blast design. With its splash of yellow – love it or loathe it – it has sold incredibly quickly and allowed us to offer financial support to The Battle of Britain Memorial Trust in their 75th anniversary year.

Numerous events were hosted during the year... charity and community cricket events, ECB national competitions, cricket dinners and afternoon teas, Indian Bollywood filming and a BBC TV crew, including the late Sir Terry Wogan, using the ground for filming to show off the ground. The highest profile of these events was an excellent, operationally and financially successful, Madness concert. These non-cricket activities remain important opportunities to support the Club's core focus.

Away from playing and commercial matters, securing planning permission and completing the sale of land to McCarthy & Stone was foremost in our thoughts. This is dealt with in more detail in the Treasurer's Report, but the McCarthy & Stone development being granted planning permission in August was not only a huge relief, it having dragged on for so long, but hopefully will be a key turning point in the Club's financial fortunes. The Club is very grateful for all who have given their encouragement and support; it has been a long haul.

With so much management attention on matters with McCarthy & Stone, it is good to know that financial performance once again saw a year of improvement. This was the sixth consecutive year of improvement in the Club's core results, which is discussed further in the treasurer's report on pages 9-12. Members should be assured that no matter what challenges the Club faces this will remain a major focus for the management of the Club.



The General Committee would like to thank all for their unstinting support, whether you are a business partner, long-standing member, casual supporter or a member of the Club's staff. It remains hugely encouraging that we have a skilled and hard-working team of people determined to ensure that Kent Cricket is as good as it can be. That they are backed by the unstinting support of so many supporters is hugely reassuring.

We now look forward to the 2016 campaign with huge anticipation. Let's hope that it brings us the success we all crave.

Jamie Clifford
Chief Executive Officer
For and on behalf of KCCC General Committee

HONORARY TREASURER'S REPORT

Year ending 31 October 2015

This year's Treasurer's Report brings three pieces of excellent news to Members. In any year, each one of these would be a cause for celebration. That rather like London buses, they have come along together gives some hope that a decade of financial challenges and difficulties may be behind the Club.

Firstly, the Club has managed to complete the long-awaited sale of the parcel of land to McCarthy & Stone, bringing financial stability at last. Secondly, the Club enjoyed outstanding trading during the Summer of 2015, which brought the improvement in EBITDA ('Earnings before interest, tax, depreciation and amortisation') since 2009 to just short of £1 million. Finally, the five year valuation of the Club's land and buildings has seen a significant uplift, bringing further strength to our Balance Sheet. Each of these issues will be considered in more detail below.

Last year's Report outlined the existential threat that the Club faced as a result of the refusal of our planning application, submitted with McCarthy & Stone Retirement Lifestyles Limited, to develop the Old Dover Road side of the Spitfire Ground, St Lawrence. The Club faced this threat as it couldn't meet its short term loan obligations to Canterbury City Council. Fortunately, the twelve month deferral of the loan obligation described in last year's report, together with very aggressive cash flow management, excellent trading results and the continued generous support of our Chairman, George Kennedy CBE, saw the Club through the summer period.

The Appeal to the Planning Inspectorate of the City Council's Planning Committee decision to refuse was due to be held in August 2015. In the meantime, the Club and McCarthy & Stone had submitted a slightly revised application, which was heard on 18th August. Fortunately, this application was approved thus removing the main impediment to the sale completing and saving all concerned the expense and uncertainty of the Planning Appeal hearing. Following finalisation of a number of small points, as noted in Note 19, on 16th December 2015 completion occurred for the sum of £3 million. The majority of this amount has been already received, with further tranches being paid in May and October 2016. The Club has taken a first charge over the site as security for these payments. Clearly, the transaction will not be reflected in the Accounts until next year, other than through the Post Balance Sheet Events note, however part of the revaluation reflects an uplift in value of the Old Dover Road site through having planning permission. Members should note that there will be a significant tax liability in respect of the disposal, which is currently estimated to be £450,000. Whilst this estimate could be reduced, the full amount has been ring fenced and will be payable in July 2017.

As a result of the receipt of significant funds, we have been able to clear all due debts to Canterbury City Council and the England and Wales Cricket Board (ECB), who provided cash flow support at various times whilst the planning issue was outstanding. The thirty year loan taken out in 2010 with Canterbury City Council remains in place, although it has reduced from £4 million to around £3.6 million. Sadly, George Kennedy cannot yet be repaid as Canterbury City Council imposed very onerous penalty conditions for the 12 month loan deferral, involving additional payments over and above those due. Currently, we don't have sufficient cash resources to pay George and the accompanying penalty repayments. We are hoping that sufficient cash will be created over the next year to start a repayment schedule.

It is worth reminding Members of the other penalty condition imposed at this time last year, as it will have a



material impact on the Club's operations over the next few years. Half of each of the next two payments of £1 million to the Club from the ECB, in respect of the sale of media rights, expected in 2018 and 2020, must now be used to repay part of the 30 year £4 million loan. Whilst debt repayment is clearly a good thing and the Club has now paid off the second loan, these repayments are now pre-ordained. This may fetter the Club's ability to deliver a radical solution for the redevelopment of the Frank Woolley Stand and invest in other facilities. The effect of these penalties is that we will be approximately ten years ahead of the 30 year repayment schedule agreed at outset by 2020.

The second issue highlighted above is that, without any significant additional Performance Related Fee Payments from the ECB, the Club turned in a fantastic trading performance. Despite receiving £1.26 million less from ECB, underlying trading improved EBITDA by over £350,000. This was driven principally by attendances and increased membership sales. Whilst a four day game with Australia and the accompanying weather was 'heaven sent' particularly given our cash flow predicament, our attendances were hugely improved for T20 also. Membership increased by £39,000, arresting a long-term downward trend. Gate receipts were up by £341,000, with over 82,000 people attending during the season, an increase of over 20,000.

Looking at our gate receipts in more detail, our County Championship income amounted to £96,900 which was effectively for seven home games as the final game of the season only saw 15 overs of play. This represented an increase of £15,600 or 19% over 2014. Our One Day Cup income was £56,600, which was down by £15,100. When the proceeds of the knock out games in both 2014 and 2015 are removed, the four group games yielded an increase of £4,000. This improvement needs to be seen in the context of the Tunbridge Wells game being a total washout.

The T20 group campaign was a triumph, both playing-wise and financially. The portents at outset were very good in that we were allocated six Friday nights out of seven and both Beckenham and Tunbridge Wells returned to the roster meaning that we did not suffer from a preponderance of games at Canterbury. There was also no summer football and The Ashes ensured that cricket got some media bandwidth. The weather was particularly kind as well.

The total revenue from our T20 games reached £385,000, of which £79,000 came from the Quarter Final (after deducting Lancashire's share). This meant that we increased overall revenue by £196,000 or 103% and group game revenue by £117,000 or 62%. Our attendances were up 74%, with over 35,000 people attending games. Particular highlights, where receipts topped £50,000, were Surrey at Beckenham (£54,500), Glamorgan at Tunbridge Wells (£50,500) and Somerset (£84,500). The last figure was particularly pleasing as it was three times the normal level of Canterbury receipts for T20 group games, despite the match being televised. It seems that success in this area is predicated on taking several games away from Canterbury, as it seems that claiming £300,000 out of the local leisure economy is simply not possible in a two month window.

There has been some comment about our pricing for T20 and its relative expense. This is not borne out by the evidence. In the Southern Group, only two of the West Country counties charge less than our pre-buy price of £20. The top price in the South is £26. There is a clear North/South divide however. Prices in that Group range from £18 to £15. The other interesting statistic is that 90% of our ticket purchasers only came to one game. There is headroom for expansion here!

The Tour Match against Australia was much anticipated and blessed with excellent weather. Over 13,300 attended, creating revenues of over £138,000. Hopefully, with feedback indicating that many people enjoyed the match greatly, it may be that the Club has attracted new fans. This may have driven the attendance at the Somerset T20 game, which was the next at Canterbury. Interestingly, the assumption at the time was that the upturn in Membership derived from interest in the Australia game. At the time of writing, 2016 Membership has maintained the 2015 level, despite there being no similar attraction this season. It will be interesting to see if this continues.

The Women's Ashes Test, played in thoroughly indifferent weather, created receipts of over £28,000, with many spectators having never been to Canterbury previously. Again, another good opportunity to showcase the Club was presented and it is to be hoped that some visitors return.

The allocation of Tour Matches by ECB amongst the non-Test Match Grounds is done as fairly as possible and we were fortunate that it was our turn to be allocated a premium opportunity. It is clear that matches with Australia and India create revenues that are multiples of those that arise with other countries. To compare, the Sri Lanka and New Zealand A games last year generated revenues of £22,000, a difference of a mere £144,000. Past experience suggests that 2016 may not be a bad summer on the rota to sit out, with the consolation being that the Club will host the England Lions in July.



Looking at other trading issues, 2015 saw us meet our financial obligations for our catering contract by the time of the two year break clause and consequently we now have a binding agreement with Centreplate for a further eight years. Whilst the amount of our minimum guaranteed payment can reduce if our catering performance deteriorates, we continue currently to receive £100,000 per annum. This is a significantly different position to that in 2010 when the Club did catering 'in house' and only broke even. This stable source of income is very welcome.

It should also be noted that our Physiotherapy clinic produced increased profits again. Also, the five year improvement is dramatic with profits up by £71,000 or 165%. Huge credit should go to Nimmo Reid, our Director of Physiotherapy and his team for this transformation. Rental and sports hire income was up £39,000 or 22%, reflecting the Beckenham facilities coming on stream and our burgeoning relationship with Crystal Palace Football Club. The 'Madness' concert generated over £23,000, together with significant income to our catering joint venture.

The Club is now able to quantify the impact of 'the Mellsoy years'. Pat Mellsoy, our Sales & Marketing Director returned to New Zealand after five years with the Club, to huge acclaim from all internally and our commercial partners. During Pat's time at the Club, net commercial income increased by over £540,000 or sixfold. This has transformed our financial position and his final year was the customary triumph in that there was a £64,000 increase, as well as a fantastic effort by the whole team to drive T20 revenues and exploit the Australia game opportunity. We remain very grateful to all our sponsors and commercial partners, whose support makes a vital contribution to the Club's finances.

Turning to Direct expenditure, salaries were £44,000 higher. Bigger crowds have a negative impact on match expenses as staging costs increase. These, together with ground operating costs, increased by £183,000. As well as including the costs of the Australia and T20 games, playing more out-ground cricket and readying Beckenham for first team cricket added to the increase.

Members have shown considerable interest in the past about the level of spend on playing salaries, particularly as there have been views expressed that securing the Club's financial future has been achieved by slashing costs in this area. The comparative figures for all 18 counties are only available to Treasurers retrospectively and so the latest figures are for 2014. At that point, Kent stood 8th of the 18th counties (up six places), with an investment in playing resources greater than three Test Match Ground counties and behind only Surrey in Division Two. This spend was broadly similar in 2015 and has increased further in 2016, before any overseas players are considered, as we have invested considerably in retaining our talented young players.

Finally, the Club has, largely as a result of our financial difficulties, borne down very heavily on Administration expenses, with a reduction this year of £66,000. These costs are now £61,000 lower than they were five years ago.

All of these trading issues have resulted in EBITDA this year of nearly £346,000. This contrasts with EBITDA of minus £641,000 in 2009, a transformation of nearly £1 million in six years. This achievement reflects a great deal of credit on all at the Club. In the dark days of 2009, any suggestion that this sort of turnaround was possible would have been laughed at. Depreciation (which is a cashless charge) and interest payments turn EBITDA into a deficit of £152,000 for the year.

In past Treasurer's Reports, the four year cycle that now persists has been described. We are hoping to receive two tranches of £1 million in the next four years as a result of television deals, both domestically and internationally. In addition, in 2019 there will be the Cricket World Cup in England, as well as an Ashes Series. However, 2016 will be one of the periodic more difficult years. Sri Lanka and Pakistan will be the tourists, there are no broadcast deal distributions and cricket will be up against the European Football Championships with three home nations involved and later, the Olympic Games. The Club therefore expects to report significantly worse results for 2016, irrespective of playing performance.

The third major highlight is that the Club was required by accounting rules to undertake a five year valuation of our Land and Buildings. This was done by Strutt & Parker who have been responsible for previous valuations. In their opinion, the value of these assets has increased to £12.5 million. The revaluation increase is shown as an 'unrealised surplus on revaluation of tangible fixed assets' of £1,994,425, from which deferred tax on the sale of the McCarthy & Stone land of £450,000 is deducted to give total recognised gains and losses relating to the year of £1,392,407. This feeds through to the balance sheet where Net assets increased from £6.3 million to £7.7 million.



The outcome of the revaluation has caused the Club to consider the approach that we are taking to the depreciation of buildings. A pattern has emerged where the Club has recognised each year significant charges for depreciation, only for them to be reversed each time we revalue our properties, needlessly depressing our results in years other than those in which we revalue, when conversely our position will look artificially better. Having reviewed our approach and carefully assessing the Club's property portfolio we have concluded that going forward we will not depreciate buildings annually on the basis that any charge would not be material. All other depreciation charges will remain unaffected.

Turning to the Balance sheet, the revaluation is reflected in Tangible assets increasing by over £1.8 million. The value of the Sainsburys store remains unchanged. Debtors are significantly lower as accrued income from the ECB of £1.2 million distorted last year's figures.

On the liabilities side, the only significant issue is the reduction in Creditors of £850,000 caused by the lower levels of ECB loans and deferred income.

In closing, the turnaround since 2009 has been a team effort, in which all involved from Members, who have by and large shown confidence in allowing those concerned to get on with managing, to those at the Club who have worked unbelievably hard, over long hours in difficult circumstances. Particular thanks are owed to the Executive Team, who devote a huge amount of time and diligence to the Club's financial affairs.

Some good decisions have been made, there has been considerable philanthropic support and as always, luck has played its part. Good stewardship of the Club requires that future leaders ensure Kent County Cricket Club never finds itself having to endure a period like the past few years ever again.

Simon Philip
Honorary Treasurer
February 2016

In recent years, the Club has held meetings before the AGM with Members who wished to get a more detailed understanding of the finances. Any Member interested in meeting with the Chief Executive and/or Honorary Treasurer should contact Tanya Nicholls at the Club.



GENERAL COMMITTEE'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2015

The General Committee is responsible for preparing the annual report and the Club's financial statements, in accordance with applicable law and regulations.

Co-operative and Community Benefit Societies Act 2014 requires the General Committee to prepare financial statements for each financial year. Under that law the General Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the General Committee must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the club and the surplus or deficit of the club for that period. In preparing these financial statements, the General Committee is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Club will continue in business.

The General Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the club's transactions and disclose with reasonable accuracy at any time the financial position of the club and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the club and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KENT COUNTY CRICKET CLUB LIMITED

We have audited the financial statements of Kent County Cricket Club Limited for the year ended 31 October 2015 which comprise the income and expenditure account, balance sheet, cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the club's members, as a body, in accordance with Section 87 of the Co-operative and Communities Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Club's members those matters we are required to state to them in an 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 general committee and auditor

As explained more fully in the General Committee's Responsibilities Statement, the General Committee is responsible for the preparation of the financial statements which 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 of the state of the society's affairs as at 31 October 2015 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and with the Co-operative and Community Benefit Societies Act 2014.



Matters on which we are required to report by exception

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

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

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor

Canterbury

10 February 2016



INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 October 2015

		2015	2014
	Notes	£	£
Income	3	4,035,360	4,781,842
Direct Expenditure	4	(3,366,942)	(3,143,157)
Administration expenses		(338,872)	(404,307)
Other operating income		16,238	16,277
Earnings before interest, tax, depreciation and amortisation (EBITDA)		345,784	1,250,655
Depreciation less amortisation of capital grant		(256,531)	(336,713)
Profit on disposal of fixed assets		1,000	-
Long term loan interest payable	5	(242,271)	(279,378)
Bank interest receivable		-	10
(Deficit)/Surplus after taxation for the year	2	(152,018)	634,574
All amounts relate to continuing operations			
Statement of total recognised gains and losses for the year ended 31 October 2015		2015	2014
		£	£
(Deficit)/surplus for the financial year		(152,018)	634,574
Unrealised surplus on revaluation of tangible fixed assets	8	1,994,425	-
Provision for deferred taxation	14	(450,000)	
Total recognised gains and losses relating to the year		1,392,407	634,574
Note of historical cost gains and losses for the year ended 31 October 2015		2015	2014
		£	£
Reported (deficit)/surplus on ordinary activities before taxation		(152,018)	634,574
Realisation of valuation gains of previous periods		-	-
		(152,018)	634,574
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated at the revalued amount		9,359	23,863
Historical cost (deficit)/surplus on ordinary activities before taxation		(142,659)	658,437
Historical (deficit)/surplus for the year after taxation		(142,659)	658,437

The notes on pages 19 to 32 form part of these financial statements



BALANCE SHEET

as at 31 October 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	8		13,436,448		11,604,996
Investment property	9		1,100,000		1,100,000
Investments	10		28,500		28,500
			14,564,948		12,733,496
Current assets					
Stocks			79,906		87,378
Debtors	11		578,023		1,650,113
Cash at bank and in hand			17,280		28,414
			675,209		1,765,905
Creditors: amounts falling due within one year	12		(3,309,178)		(4,321,879)
Net current liabilities			(2,633,969)		(2,555,974)
Total assets less current liabilities			11,930,979		10,177,522
Creditors: amounts falling due after more than one year	13		(3,760,514)		(3,849,214)
Provisions for liabilities					
Deferred tax	14		(450,000)		-
Net assets			7,720,465		6,328,308
Capital and reserves					
Called up share capital	15		118		118
Revaluation reserve	16		3,440,004		1,904,938
Other reserves	16		69,333		68,596
Income and expenditure account	16		4,211,010		4,354,656
Members' funds			7,720,465		6,328,308

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 February 2016.

G M Kennedy CBE
Chairman

S R C Philip
Honorary Treasurer

J A S Clifford
Chief Executive Officer

The notes on pages 19 to 32 form part of these financial statements.



CASHFLOW STATEMENT

for the year ended 31 October 2015

		2015	2014
		£	£
Net cash inflow from operating activities	21	1,102,410	393,303
Returns on investments and servicing of finance	22	(242,271)	(279,366)
Capital expenditure and financial investment	22	(56,529)	(144,533)
Cash inflow/(outflow) before use of liquid resources		(803,610)	(30,596)
Financing	22	(814,744)	(40,732)
Decrease in cash in the year		(11,134)	(71,328)
Reconciliation of net cashflow to movement in net debt			
(Decrease)/Increase in cash in the year	23	(11,134)	(71,328)
Cash inflow from increase in debt	23	814,744	40,732
Change in net debt resulting from cashflow		803,610	(30,596)
Other non-cash changes	23	(40,780)	(26,150)
Movement in net debt in the year		762,830	(56,746)
Net debt at 1 November 2014	23	(6,410,424)	(6,353,678)
Net debt at 31 October 2015	23	(5,647,594)	(6,410,424)

The notes on pages 19 to 32 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with the exception of freehold land and buildings, including investment property, which are included at revaluation as stated in notes 9 and 10, and in accordance with applicable accounting standards.

1.2 Going concern

Although the club had significant net current liabilities at the balance sheet date, the accounts have been prepared on a going concern basis. The club's position has arisen as a result of delays in the club's ability to dispose of property surplus to its needs, the proceeds from which play a key part in restructuring the club's finances. The club anticipates that the continued developments to the ground will enable the club to maximise its potential to generate income and will assure the long term future of the club.

As disclosed in note 19, since the end of the reporting period land has been disposed for proceeds of £3,000,000, enabling the club to repay debt owed to Canterbury City Council amounting to £1,078,022. This has resulted in a significant improvement to the club's financial position.

The club has prepared cash flow forecasts that demonstrate that it will be able to continue to meet its obligations as they fall due for payment for the foreseeable future, including the repayment of its loan commitments.

After making enquiries and taking into account the factors described above, the club's management have a reasonable expectation that the club has adequate resources to continue trading for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Land	-	nil
Freehold Buildings	-	50 - 75 years
Floodlit Area and Academy	-	20 years
Fixtures		
Leasehold Improvements	-	3 to 25 years
Motor vehicles	-	3 years
Ground and Office equipment	-	3 to 10 years

FRS15 requires the review of the residual value and the useful life of an asset at each financial year end. As a result of this review, the residual values and economic useful lives of Freehold Buildings were revised with effect from 1 November 2014. The revisions were accounted for prospectively as a change in accounting estimate and as a result, the depreciation charge of Freehold Buildings for the year ended 31 October 2015 has decreased by £89,213.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.



1. Accounting policies (continued)

As permitted by FRS15, the Club has adopted a policy of revaluing its properties and undertook a revaluation as at 31 October 2015. Due to the specialised nature of the St Lawrence Ground, FRS 15 recognises that depreciated replacement cost (DRC) is a more suitable basis of valuation than open market value, as DRC more fairly reflects the service potential of the premises and their value to the business than open market value. The operational element of the property has therefore been valued on this basis, leaving the investment property to be valued at open market value.

The St Lawrence Ground will be subject to a full independent valuation every 5 years and an interim independent valuation every three years.

1.4 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the member, necessary in order to give a true and fair view of the financial position of the company.

1.5 Investments

Investments held as fixed assets are included in the financial statements shown at cost less provision for impairment.

1.6 Stocks

Stock has been valued by club officials at the lower of costs or net realisable value after making due allowance for obsolete and slow moving stocks.

1.7 Turnover

Income is derived from the provision of cricket events and other sporting facilities, excluding Value Added Tax as appropriate. Income also includes rent receivable in respect of the club's investment property. See also notes 1.8 to 1. 11 for further accounting policies on income received.

1.8 Capital & revenue grants

Grants relating to tangible fixed assets are treated as deferred income and released to the income and expenditure account over the expected useful lives of the assets concerned. Grants received to date relate primarily to the freehold buildings and will be credited to the income and expenditure account over a period of fifty years.

Grants relating to revenue costs are credited to the income and expenditure account in line with the relevant costs.

1.9 England and Wales Cricket Board (ECB)

ECB income relates to fees receivable, including performance related elements, in the current season distributed from central funds in accordance with the First Class Memorandum of Understanding. ECB fees received in respect of future seasons are treated as deferred income.

1.10 Life members' subscriptions

Life membership subscriptions received during the year are placed to a deferred income account and amounts are transferred as income to the income and expenditure account over a period of ten years.

1.11 Membership subscriptions

Annual subscriptions are accounted for on a cash-received basis except for those amounts received which relate to the following season, in which case the subscriptions is carried forward as deferred income. Any arrears recovered are included as income in the year received. Subscriptions paid by members beyond the Balance Sheet date have been apportioned and provisions made.



1. Accounting policies (continued)

1.12 Pensions

The club operates a defined contribution pension scheme and the pension charge represents the amounts payable by the club to the fund in respect of the year.

1.13 Reserves

Reserves include the following funds:

J & K Huntley Bursary for the benefit of providing an educational grant in conjunction with the University of Kent to students with proven cricketing ability.

Colin Page Cricket Scholarship for the benefit of youth cricket. Woolley Appeal Fund.

Community cricket fund for the development of recreational cricket.

The movements of these funds are shown in note 16.

1.14 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements except where at the balance sheet date there is a binding agreement to sell the asset and the gain or loss expected to arise on disposal has been recognised in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.15 Donations and legacies

Donations and legacies are accounted for on a receivable basis where the amount can be ascertained.

1.16 Leasing and hire purchase

Assets held under hire purchase contracts and finance leases, which are those where substantially all the risks and rewards of ownership of the asset have passed to the club, are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

1.17 Taxation

Part of the club's income is derived from subscriptions paid by members of the club and there is, therefore, an adjustment to the taxable profit of the club to exclude mutual profit attributable to members.



2. Surplus

The surplus is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	237,065	313,473
- held under finance leases	24,217	27,994
Auditor's remuneration	13,200	12,800
Operating lease rentals:		
- plant and machinery	43,023	41,936
and after crediting:		
Capital grants released	4,750	4,750
Profit on sale of tangible assets	(1,000)	
	<u><u> </u></u>	<u><u> </u></u>

During the year, no member of the General Committee received any emoluments (2014 - £NIL).

3. Income

	2015 £	2014 £
Subscriptions	350,162	311,158
Match receipts	705,127	364,040
England and Wales Cricket Board	1,878,143	3,137,396
Sports centre	39,473	43,812
Physiotherapy clinic	114,149	104,152
Catering income	100,000	100,000
Marketing	604,127	540,473
Rental and sport hire income	219,874	180,811
Concert income	23,618	-
Community cricket	987	-
	<u><u>4,035,360</u></u>	<u><u>4,781,842</u></u>

Sports centre, physiotherapy clinic, marketing, concert and community cricket income is stated net of directly related expenditure

4. Direct expenditure

	2015 £	2014 £
Salaries and related costs	2,294,312	2,250,423
Match expenses - ground	211,068	136,627
Match expenses - cricket	347,923	290,222
Ground operating costs	466,289	415,514
Cricket development and academy	47,350	50,371
	<u><u>3,366,942</u></u>	<u><u>3,143,157</u></u>



5. Interest payable

	2015	2014
	£	£
On bank loans and overdrafts	239,699	274,703
On finance leases and hire purchase contracts	2,572	4,675
	<u>242,271</u>	<u>279,378</u>

6. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	2,535,475	2,361,005
Social security costs	256,341	235,460
Other pension costs	181,397	158,089
Other costs	143,198	224,288
	<u>3,116,411</u>	<u>2,978,842</u>

The average monthly number of employees during the year was as follows:

	2015	2014
	No	No
Cricket	22	22
Cricket - Coaches, scorers and administration	6	5
Ground/Operations	9	7
Marketing and sales	5	6
Sports Centre	3	3
Physiotherapy Clinic	8	7
Administration	4	4
Community cricket	13	-
	<u>70</u>	<u>54</u>

In addition to the above, gatemen and stewards are taken on for match days. The related wage costs of £79,873 (2014 - £61,962) are included in Match expenses - ground.



7. Taxation

Analysis of tax charge in the year

	2015	2014
	£	£
Deferred tax (see note 14)	450,000	-
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
Tax on (deficit)/surplus on ordinary activities	450,000	-
	<hr/> <hr/>	<hr/> <hr/>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015	2014
	£	£
(Deficit)/surplus on ordinary activities before tax after realisation valuation gains of previous periods	(152,018)	634,573
	<hr/>	<hr/>
(Deficit) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	(30,404)	126,915

Effects of:

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,693	2,339
Depreciation in excess of capital allowances	5,969	(71,384)
Unrelieved tax losses carried forward	24,940	-
Realisation of valuation gains of prior periods	-	-
Chargeable gains	-	-
Income not taxable for tax purposes	(4,198)	(3,225)
Utilisation of losses brought forward	-	(54,645)
Tax not yet reconciled as accounts in draft format	-	-
	<hr/>	<hr/>
Current tax charge for the year (see note above)	-	-
	<hr/> <hr/>	<hr/> <hr/>

Factors which may affect future tax charges

The club has unrelieved trading losses and other deductions of approximately £1m at the year end. This is partly offset by capital allowances claimed in excess of depreciation. A deferred tax asset has been provided on £435,000 of these losses (see note 14) as they are expected to be utilised within the foreseeable future. Utilisation of the remaining losses is uncertain and thus no deferred tax has been recognised in respect of them.



8. Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Equipment £	Motor vehicles £	Leasehold improvement £	Total £
Cost or valuation						
At 1 November 2014	9,358,961	235,455	3,146,489	8,750	80,569	12,830,224
Additions	-	-	95,309	3,000	-	98,309
Disposals	-	-	(26,134)	(6,800)	-	(32,934)
Reclassification	235,455	(235,455)	-	-	-	-
Revaluation surplus/(deficit)	1,805,584	-	-	-	-	1,805,584
At 31 October 2015	11,400,000	-	3,215,664	4,950	80,569	14,701,183
Depreciation						
At 1 November 2014	138,875	-	1,010,616	8,750	66,987	1,225,228
Charge for the year	49,966	-	207,524	417	3,375	261,282
On disposals	-	-	(26,134)	(6,800)	-	(32,934)
On revalued assets	(188,841)	-	-	-	-	(188,841)
At 31 October 2015	-	-	1,192,006	2,367	70,362	1,264,735
Net book value						
At 31 October 2015	11,400,000	-	2,023,658	2,583	10,207	13,436,448
At 31 October 2014	9,220,086	235,455	2,135,873	-	13,582	11,604,996

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Equipment	42,598	73,978



8. Tangible fixed assets (continued)

The St Lawrence Ground was revalued by independent external valuers Strutt & Parker LLP, Chartered Surveyors of 2 St Margaret's St, Canterbury, Kent, CT1 2SL as at 31 October 2015 on the basis of depreciated replacement cost (DRC), in accordance with the RICS Appraisal and Valuation Manual.

Due to the specialised nature of the property, and in accordance with FRS15, depreciated replacement cost (DRC) more fairly reflects the service potential of the premises and is a more appropriate valuation basis than open market value in respect of operational property as such properties are rarely sold on the open market.

Included within freehold land and buildings is land valued at £3m which is surplus to the Club's requirements and has been disposed of since the balance sheet date (see note 19). This property has been valued at its open market value rather than depreciated replacement cost in accordance with FRS15.

Included in land and buildings is freehold land at a valuation of £3,813,834 (2014 - £2,393,379), (cost £6,621 (2014 - £6,621)) which is not depreciated.

At 31 October 2015 the total net book value of land and buildings related to freehold land and buildings.

Cost or valuation at 31 October 2015 is as follows:

	Land and buildings £
At cost	5,931,267
At valuation:	
Strutt & Parker Valuation 31 October 2010	4,532,887
Strutt & Parker Valuation 31 October 2011	(733,296)
Strutt & Parker Valuation 31 October 2013	(136,442)
Strutt & Parker Valuation 31 October 2015	1,805,584
	<u>11,400,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2015 £	2014 £
Cost	5,931,267	5,695,812
Accumulated depreciation	(2,650,579)	(2,609,972)
Net book value	<u>3,280,688</u>	<u>3,085,840</u>



9. Investment property

**Freehold
investment
property
£**

Valuation

At 1 November 2014 and 31 October 2015

1,100,000

The investment property was revalued by independent external valuers Strutt & Parker LLP, Chartered Surveyors of 2 St Margaret's St, Canterbury, Kent, CT1 2SL as at 31 October 2015 at open market value.

10. Fixed asset investments

**Other
investments
£**

Cost

At 1 November 2014 and 31 October 2015

28,500

Net book value

At 31 October 2015

28,500

At 31 October 2014

28,500

The Club also owns other assets, for example paintings and other memorabilia, where the value is not shown in the accounts.

The cost of Other Investments of £28,500 represents 30,000 partly paid £1 Ordinary Shares in Reigndei Limited, an unquoted company registered in Guernsey, established in order to provide insurance cover for rain affected international matches. In common with other First Class Counties who have like investments, these shares are being held by Derbeyork Trustee Company Limited as Trustees for the Club.

11. Debtors

	2015	2014
	£	£
Trade debtors	323,496	293,754
Prepayments	95,432	52,456
Accred income	-	1,255,000
Other debtors	159,095	48,899
	578,023	1,650,113



**12. Creditors:
Amounts falling due within one year**

	2015	2014
	£	£
Net obligations under finance leases and hire purchase contracts	18,001	17,423
Trade creditors	441,122	387,691
Other taxation and social security	363,171	497,630
Accruals and deferred income	377,416	448,086
England and Wales Cricket Board - loan	300,000	1,000,000
England and Wales Cricket Board - deferred income	-	150,000
Chairman's loan	580,000	580,000
Other creditors	63,454	53,887
Canterbury City Council loan	1,159,328	1,182,412
Deferred capital grants	4,750	4,750
Other loans	2,236	-
	<u>3,309,178</u>	<u>4,321,879</u>

Canterbury City Council have a first charge over parts of the Club's ground at Canterbury.

**13. Creditors:
Amounts falling due after more than one year**

	2015	2014
	£	£
Net obligations under finance leases and hire purchase contracts	23,770	10,271
Accruals and deferred income	87,011	117,266
Deferred capital grants	68,194	72,945
Canterbury City Council loan	3,568,125	3,648,732
Other loans	13,414	-
	<u>3,760,514</u>	<u>3,849,214</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015	2014
	£	£
Repayable other than by instalments	4,471	-

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015	2014
	£	£
Between one and five years	23,770	10,271



14. Deferred taxation

	2015 £	2014 £
At beginning of year	-	-
Charge for/(released during) year	450,000	-
At end of year	450,000	-

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
On revaluation of land subsequently disposed	537,000	-
Unutilised tax losses	(87,000)	-
	450,000	-

The Club has adopted the revaluation model for the measurement of land and buildings. In accordance with the club's accounting policy no deferred tax is recognized in respect of any revaluation gains or losses except where at the balance sheet date there is a binding agreement to sell the asset and the gain or loss expected to arise on disposal has been recognized in the financial statements.

At the balance sheet date the club held property meeting the above criteria with a value of £3,000,000, which has been sold subsequent to the year end (see notes 8 and 19). A net deferred tax provision of £450,000 has been recognized in respect of this property, being the club's management's estimate of the tax that will be payable in future periods in respect of this property after deduction of any available tax losses.

15. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
2,348 Ordinary shares of £0.05 each	118	118

	2015 £	
Movement in membership numbers		
At 1 November 2014	2,356	
Allotted in year	286	
Cancelled in year	(294)	
At 31 October 2015		2,348



16. Reserves

	General Reserves	Revaluation Reserve	J & K Huntley Bursary	Colin Page Cricket Scholarship Fund	Woolley Appeal Funds	Community Cricket	Total
	£	£	£	£	£	£	£
At 1 November 2014	4,354,656	1,904,938	49,711	3,784	15,101	-	6,328,190
Loss for the year	(153,005)	-	-	-	-	987	(152,018)
Bursary paid	-	-	-	(250)	-	-	(250)
Revaluation of freehold property	-	1,544,425	-	-	-	-	1,544,425
Transfer between revaluation reserve and general reserve	9,359	(9,359)					
Total	4,211,010	3,440,004	49,711	3,534	15,101	987	7,720,347

17. Pension commitments

Included in staff costs for the period is £181,397 (2014 - £158,089) in respect of the club's contributions to staff and players group personal pension schemes. Amounts outstanding at the balance sheet date amounted to £Nil (2014 - £Nil).

18. Operating lease commitments

At 31 October 2015 the company had annual commitments under non-cancelable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Between 2 and 5 years	27,777	27,182

19. Post balance sheet events

On 16 December 2015 land valued at £3,000,000 included within freehold land and buildings, was disposed for proceeds of £3,000,000.

20. Related party transactions

Included within creditors is a loan of £580,000 (2014: £580,000) due to G M Kennedy CBE, the club chairman. The loan attracts interest at 3% above the NatWest base rate. At 31 October 2015 unpaid interest owed to Mr Kennedy totaling £72,733 has been accrued for (2014: £57,548). This loan is repayable on demand.



21. Reconciliation of EBITDA to net cash inflow from operating activities

	2015 £	2014 £
EBITDA	345,784	1,250,655
Decrease/(increase) in stock	7,472	(10,517)
Decrease/(increase) in debtors	1,072,090	(1,223,624)
(Decrease)/increase in creditors	(322,686)	378,011
Net incom/(expenditure) arising on other reserves	(250)	(1,222)
Net cashflow from operating activities	<u>1,102,410</u>	<u>393,303</u>

22. Notes to cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	-	10
Interest paid	(242,271)	(279,376)
	<u>(242,271)</u>	<u>(279,366)</u>

Capital expenditure and financial investment

Purchase of tangible fixed assets	(57,529)	(144,533)
Proceeds from sale of tangible fixed assets	1,000	-
	<u>(56,529)</u>	<u>(144,533)</u>

Financing

KCC loan repayments	-	(20,833)
CCC loan repayments	(103,691)	(48,468)
ECB loan repayments	(1,000,000)	-
Capital element of finance leases	(26,703)	(46,431)
ECB loan received	300,000	-
Chairman's loan received / (repaid)	-	75,000
Brewery loan received	15,650	-
	<u>(814,744)</u>	<u>(40,732)</u>



23. Reconciliation of movement in net debt

	2014 £	Cashflow £	Non cash movement £	2015 £
Cash at bank and in hand	28,414	(11,134)	-	17,280
	28,414	(11,134)	-	17,280
Finance leases	(27,694)	26,703	(40,780)	(41,771)
Debt falling due in 1 year	(2,762,412)	788,041	(67,193)	(2,041,564)
Debt falling due after 1 year	(3,648,732)	-	67,193	(3,581,539)
	(6,438,838)	814,744	(40,780)	(5,664,874)
Net debt	(6,410,424)	803,610	(40,780)	(5,647,594)

24. Major non-cash transactions

During the year the club entered into finance lease arrangements in respect of assets with a total capital value at inception of the leases of £40,780 (2014: £26,150).



MEMBERSHIP NUMBERS

	As at 1/11/14	Transferred, Deceased & Cancelled	New	As at 31/10/15
Life	1,120	(19)	-	1,101
Annual Honorary	80	(1)	-	79
FULL				
All Rounder & Friend	194	(48)	44	190
All Rounder	416	(100)	99	415
Junior Associate*	187	(86)	144	245
Student	18	(13)	10	15
Family	11	(3)	11	19
Championship Plus - Single*	162	(27)	31	166
Championship Plus - Double*	68	(7)	9	70
Spitfire - Single	40	(21)	26	45
Spitfire - Double	44	(16)	13	41
COUNTRY				
Member & Friend	44	(11)	15	48
Member	159	(28)	28	159
TICKETING PACKAGES				
Six Pack*	324	(109)	283	498
13th Man*	26	(6)	14	34
	2,893	(495)	727	3,125

* Non- shareholders

Championship Plus & Spitfire are now shareholder packages

The above has not been subject to audit.



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