

REGISTERED NUMBER: 06867951 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014
FOR
COLCHESTER COMMUNITY STADIUM LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2014

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COLCHESTER COMMUNITY STADIUM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014**

DIRECTORS:

C M Gilham
G P Leaf
D C Murthwaite
Cllr A Turrell
R A Cowling
Cllr W Frame

REGISTERED OFFICE:

PO Box 885 Town Hall
High Street
Colchester
Essex
CO1 1ZE

REGISTERED NUMBER:

06867951 (England and Wales)

AUDITORS:

Baker Chapman & Bussey
Statutory Auditor
3 North Hill
Colchester
Essex
CO1 1DZ

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their strategic report for the year ended 31 March 2014.

REVIEW OF BUSINESS

The directors are pleased with the overall diversity and volume of use of the Weston Homes Community Stadium throughout the financial year which has seen a growing number of activities, events and hospitality in addition to providing an excellent 10,000 seat stadium for Colchester United's (the Club) professional football match days. The directors are also encouraged by plans to hold many more activities in the future, including an inaugural concert to be performed by Sir Elton John in June.

On 30th September 2013 the 5 year service agreement (having been extended by 6 weeks from 15th August by mutual agreement), under which the Club performed the stadium management role, expired. The directors have been extremely pleased with how this contract was performed as measured by the specific operating criteria and key performance indicators contained therein. One notable benefit has been the first ever receipt of additional income from the Club under the terms of this agreement as revenue targets for 2012-13 were exceeded - a welcome income of £4,621. As a consequence of the successful performance of this service agreement a new 10 year service agreement has been entered in to with the Club, commencing on 1st October 2013, but with new higher operating and financial performance targets to be met, including a new definition of community benefit: the Community Yield. At this stage in the new service agreement period the directors currently anticipate that the additional income receivable from the Club exceeding its revenue targets will be significantly greater than that achieved last year.

The directors continue to consider the Weston Homes Community Stadium to be an excellent asset for the benefit of all of the residents of Colchester and its wider community.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of risks and uncertainties facing the business at any given time and as such, the directors review these on an ongoing basis and, where possible, take appropriate action to mitigate the impact of these risks.

The general economic outlook remains uncertain and whilst the directors have seen a steady growth in the activities levels and income at the stadium, which they expect to continue and have plans in place to achieve, it is difficult to predict the future in these volatile times with any level of certainty.

The Weston Homes Community Stadium has one key tenant, Colchester United Football Club, which operates within its own challenging and unique market. The directors have limited control and/or influence over the future success of its key tenant other than through its service agreement for non-match day activities.

POST-BALANCE SHEET EVENTS

There are no post-balance sheet events that have occurred or need to be reported.

FUTURE DEVELOPMENTS

The directors are constantly working towards improving the activity levels and utilisation of the stadium and, as such, are currently reviewing a number of community and business opportunities to further enhance the stadium's use.

IMPACT OF THE EURO

The company only trades within the UK and is not affected by the Euro or the events within the European Union at this time.

ON BEHALF OF THE BOARD:

C M Gilham - Director

24 April 2014

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their report with the financial statements of the company for the year ended 31st March 2014.

The company has chosen to set out in the strategic report information concerning post-balance sheet events, likely future developments of the business and the impact of the Euro on the company.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

C M Gilham
G P Leaf
D C Murthwaite
Cllr A Turrell
R A Cowling

Other changes in directors holding office are as follows:

A R Pritchard - resigned 9 May 2013
Cllr C M C Hunt - resigned 17 June 2013
Cllr W Frame - appointed 17 June 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

C M Gilham - Director

24 April 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COLCHESTER COMMUNITY STADIUM LIMITED

We have audited the financial statements of Colchester Community Stadium Limited for the year ended 31 March 2014 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors 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 company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Jacqueline Frost (Senior Statutory Auditor)
for and on behalf of Baker Chapman & Bussey
Statutory Auditor
3 North Hill
Colchester
Essex
CO1 1DZ

6 May 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
CONTINUING OPERATIONS			
Revenue	3	362,621	362,256
Administrative expenses		<u>(340,457)</u>	<u>(342,960)</u>
OPERATING PROFIT		22,164	19,296
Finance costs	5	(3,944)	(4,847)
Finance income	5	<u>2</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	6	18,222	14,449
Income tax	7	<u>(6,044)</u>	<u>(5,291)</u>
PROFIT FOR THE YEAR		12,178	9,158
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>12,178</u>	<u>9,158</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Notes	2014 £	2013 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>86,000</u>	<u>98,000</u>
CURRENT ASSETS			
Trade and other receivables	9	<u>175,806</u>	<u>179,105</u>
Cash and cash equivalents	10	<u>60,799</u>	<u>53,472</u>
		<u>236,605</u>	<u>232,577</u>
TOTAL ASSETS		<u><u>322,605</u></u>	<u><u>330,577</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	<u>1</u>	<u>1</u>
Retained earnings	12	<u>42,834</u>	<u>30,656</u>
TOTAL EQUITY		<u><u>42,835</u></u>	<u><u>30,657</u></u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	14	<u>78,870</u>	<u>97,133</u>
CURRENT LIABILITIES			
Trade and other payables	13	<u>176,588</u>	<u>179,615</u>
Financial liabilities - borrowings			
Interest bearing loans and borrowings	14	<u>18,268</u>	<u>17,882</u>
Tax payable		<u>6,044</u>	<u>5,290</u>
		<u>200,900</u>	<u>202,787</u>
TOTAL LIABILITIES		<u><u>279,770</u></u>	<u><u>299,920</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>322,605</u></u>	<u><u>330,577</u></u>

The financial statements were approved by the Board of Directors on 24 April 2014 and were signed on its behalf by:

G P Leaf - Director

C M Gilham - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2012	1	21,498	21,499
Changes in equity			
Total comprehensive income	-	9,158	9,158
Balance at 31 March 2013	<u>1</u>	<u>30,656</u>	<u>30,657</u>
Changes in equity			
Total comprehensive income	-	12,178	12,178
Balance at 31 March 2014	<u><u>1</u></u>	<u><u>42,834</u></u>	<u><u>42,835</u></u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

		2014 £	2013 £
Cash flows from operating activities			
Cash generated from operations	1	34,436	28,278
Interest paid		(3,944)	(4,847)
Tax paid		(5,290)	(5,660)
Net cash from operating activities		<u>25,202</u>	<u>17,771</u>
Cash flows from investing activities			
Interest received		<u>2</u>	-
Net cash from investing activities		<u>2</u>	-
Cash flows from financing activities			
Loan repayments in year		<u>(17,877)</u>	<u>(17,506)</u>
Net cash from financing activities		<u>(17,877)</u>	<u>(17,506)</u>
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	<u>53,472</u>	<u>53,207</u>
Cash and cash equivalents at end of year	2	<u><u>60,799</u></u>	<u><u>53,472</u></u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014**

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2014	2013
	£	£
Profit before income tax	18,222	14,449
Depreciation charges	12,000	12,000
Finance costs	3,944	4,847
Finance income	(2)	-
	34,164	31,296
Decrease/(increase) in trade and other receivables	3,299	(3,302)
(Decrease)/increase in trade and other payables	(3,027)	284
Cash generated from operations	34,436	28,278

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 March 2014

	31.3.14	1.4.13
	£	£
Cash and cash equivalents	60,799	53,472

Year ended 31 March 2013

	31.3.13	1.4.12
	£	£
Cash and cash equivalents	53,472	53,207

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. AUTHORISATION OF FINANCIAL STATEMENTS

The company's financial statements for the year were authorised for issue on 22nd April 2014 and the statement of financial position signed on the board's behalf by Graham Leaf and Clive Gilham.

Colchester Community Stadium Limited is a limited company incorporated and domiciled in England & Wales.

2. ACCOUNTING POLICIES

Basis of preparation & statement of compliance with IFRSs.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

The financial statements are presented in sterling, not rounded and are prepared under the historical cost convention.

Revenue recognition

Revenue represents net invoiced income, excluding value added tax and net of discounts. Rents and service charges are taken to revenue for the period to which they relate.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property - 10% on cost

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Interest expense & borrowing costs

All borrowing costs are recognised in the profit or loss in the period in which they are incurred.

Interest expense is recognised as interest accrues, using the effective interest rate method, to the net carrying amount of the financial liability.

Effective interest method

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to that asset or liability's net carrying amount.

Loan and other receivables

Loans and other receivables (including trade and other receivables, and bank balances) are initially recognised at original invoice amount (subsequently measured at amortised cost using the effective interest method) less any allowances for any uncollectible or impaired amounts.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

3. SEGMENTAL REPORTING

The company has one main business segment, that of providing strategic management oversight and overall management of Weston Homes Community Stadium, including acting as landlord to the tenant. As a result, no additional business segment information is required to be provided. It operates in one geographical segment, and accordingly no geographical segment information is required to be provided.

4. EMPLOYEES AND DIRECTORS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

Included with in the profit/(loss) before income tax is:

	Year ended 31.3.14 £	Year ended 31.3.13 £
Directors' remuneration and other benefits etc	<u>25,500</u>	<u>25,500</u>

Other than the above costs the company had no wages and salaries.

5. **NET FINANCE COSTS**

	2014 £	2013 £
Finance income:		
Deposit account interest	<u>2</u>	<u>-</u>
Finance costs:		
Other loan interest	<u>3,944</u>	<u>4,847</u>
Net finance costs	<u>3,942</u>	<u>4,847</u>

6. **PROFIT BEFORE INCOME TAX**

The profit before income tax is stated after charging:

	Year Ended 31.3.14 £	Year ended 31.3.13 £
Auditors' remuneration	<u>1,505</u>	<u>1,460</u>

7. **INCOME TAX****Analysis of tax expense**

	2014 £	2013 £
Current tax:		
Tax	<u>6,044</u>	<u>5,290</u>
Under provision prior year	<u>-</u>	<u>1</u>
Total tax expense in statement of comprehensive income	<u>6,044</u>	<u>5,291</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

7. INCOME TAX - continued

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before income tax	<u>18,222</u>	<u>14,449</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 20%)	3,644	2,890
Effects of: Depreciation in excess of capital allowances	2,400	2,400
Under provision prior year	-	1
Tax expense	<u>6,044</u>	<u>5,291</u>

8. PROPERTY, PLANT AND EQUIPMENT

	Improvements to property £
COST	
At 1 April 2013 and 31 March 2014	<u>120,000</u>
DEPRECIATION	
At 1 April 2013	22,000
Charge for year	<u>12,000</u>
At 31 March 2014	<u>34,000</u>
NET BOOK VALUE	
At 31 March 2014	<u>86,000</u>
At 31 March 2013	<u>98,000</u>

9. TRADE AND OTHER RECEIVABLES

	2014 £	2013 £
Current:		
Trade debtors	105,750	109,049
Called up share capital not paid	1	1
Prepayments	<u>70,055</u>	<u>70,055</u>
	<u>175,806</u>	<u>179,105</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

10. CASH AND CASH EQUIVALENTS

	2014 £	2013 £
Bank deposit account	1,004	1,002
Bank accounts	59,795	52,470
	<u>60,799</u>	<u>53,472</u>

11. CALLED UP SHARE CAPITAL

Allotted and issued:			2014 £	2013 £
Number:	Class:	Nominal value:		
1	Ordinary	£1	<u>1</u>	<u>1</u>

12. RESERVES

	Retained earnings £
At 1 April 2013	30,656
Profit for the year	12,178
At 31 March 2014	<u>42,834</u>

13. TRADE AND OTHER PAYABLES

	2014 £	2013 £
Current:		
Trade creditors	91,200	91,200
Accruals and deferred income	83,362	86,072
VAT	2,026	2,343
	<u>176,588</u>	<u>179,615</u>

14. FINANCIAL LIABILITIES - BORROWINGS

	2014 £	2013 £
Current:		
Other loans	<u>18,268</u>	<u>17,882</u>
Non-current:		
Other loans	<u>78,870</u>	<u>97,133</u>

Terms and debt repayment schedule

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Other loans	<u>18,268</u>	<u>11,670</u>	<u>37,559</u>	<u>29,641</u>	<u>97,138</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

14. FINANCIAL LIABILITIES - BORROWINGS - continued

Included in other loans is a loan in respect of an agreement dated 1 July 2009 and repayable over 5 years. The initial interest rate was 6% until 29 January 2010, to be reviewed annually thereafter. The current interest rate is 4.75%.

Also included in other loans are two loans in respect of agreements dated 16 May 2011 and repayable over ten years. Interest is chargeable on the loan at 3% above UK base rates.

15. OTHER FINANCIAL COMMITMENTS

Commitments under operating leases the company as lessee:

	Year ended 31.3.14 £	Year ended 31.03.13 £
Minimum lease payments under operating leases recognised as an expenses during the year	<u>300,000</u>	<u>300,000</u>

On 24th October 2013 the company signed a lease with Colchester Borough Council in respect of the Community Stadium. On the same date the company signed a lease with Colchester United Football Club to sub-let the stadium for the same period. The company is required to pay the rents collected from Colchester United Football Club to Colchester Borough Council. The initial rent to be received from Colchester United Football Club and then paid to Colchester Borough Council is £300,000, but the rent will become an agreed percentage of Colchester United Football Club's match day gate income on the earlier of the date when Colchester Borough Council repays its borrowings on the stadium, or ten years after the date of the leases. It is not possible to calculate the minimum lease payments to be received or made under the leases.

16. RELATED PARTY DISCLOSURES

During the period the company paid £12,000 (2013: £12,000) to Straight Bat (UK) Limited, a company controlled by Clive Gilham, in respect of the supply of services of the Chief Executive. At the period end the company owed Straight Bat (UK) Ltd £1,200 (2013: £1,200).

The other independent directors, Graham Leaf and David Murthwaite, have been paid fees of £6,000 and £7,500 (2013: £6,000 and £7,500) respectively.

Included in other creditors is a working capital loan of £7,000 (2013: £14,000) from Colchester Borough Council. The loan is interest bearing and is repayable in instalments of £7,000. Interest of £582 (2013: £1,111) has been charged in the year.

Also included in other creditors is a loan of £45,070 (2013: £50,507) from Colchester Borough Council. The loan is interest bearing at 3% above UK base rate and is repayable in instalments of £594. Interest of £1,681 (2013: £1,868) has been charged in the year.

During the year Colchester Borough Council charged the company rent of £300,000 (2013: £300,000). At the year end the company owed Colchester Borough Council £90,000 (2013: £90,000).

During the year the company charged Colchester United Football Club, an entity controlled by Robbie Cowling, stadium rent of £300,000 (2013: £300,000), rent for community, retail and office space of £28,000 (2013: £32,256) and non match day income of £34,621 (2013: £30,000). In October 2013 the company signed a ten year agreement with Colchester United Football Club for the Club to provide non match day services and management services at the stadium. During the year the company charged Colchester United Football Club £32,189 under this agreement. At the year end the company was owed £105,750 (2013: £109,050) by Colchester United Football Club.

Included in other creditors is a loan of £45,070 (2013: £50,507) from Colchester United Football Club. The loan is interest bearing at 3% above base rate and is repayable in instalments of £594. Interest of £1,681 (2013: £1,868) has been charged in the year.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

17. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is Colchester Borough Council.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	12,178	9,158
Net addition to shareholders' funds	12,178	9,158
Opening shareholders' funds	30,657	21,499
Closing shareholders' funds	42,835	30,657

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company is exposed through its operations to the following risks:

Credit risk

Credit risk arises principally from the company's trade and other receivables and cash at bank.

The company uses a reputable bank and trades only with recognised, credit worthy customers. Balances are regularly checked to ensure risk of exposure to bad debts is minimised.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The only risks are in respect of the loans from Colchester Borough Council and Colchester United Football Club and any risks are considered immaterial.

Liquidity risk

Liquidity risk arises from the company's management of working capital and repayments of its liabilities. Management of risks is managed by monitoring budgets and actual cash flows.

Capital management

The objective of the company's capital management is to safeguard the entity's ability to continue as a going concern.

20. FAIR VALUES

The fair values of the financial assets and liabilities as at 31 March 2014 and 31 March 2013 are not materially different from their book values.

21. ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain critical accounting judgements made in applying the company's accounting policies are described below:

Useful life of property, plant and equipment

Property, plant and equipment are amortised or depreciated over their useful lives. Useful lives are based on management estimates that the assets will generate revenue, which are periodically reviewed for continued appropriateness.