

Company Registration No. 08912116 (England and Wales)

SALFORD CITY FOOTBALL CLUB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020
PAGES FOR FILING WITH REGISTRAR



SALFORD CITY FOOTBALL CLUB LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 7

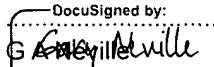
SALFORD CITY FOOTBALL CLUB LIMITED**BALANCE SHEET****AS AT 30 JUNE 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	3		230,033		200,250
Tangible assets	4		53,040		55,674
Current assets					
Stocks			10,174		4,923
Debtors	5		145,800		247,532
Cash at bank and in hand			85,838		237,362
			<u>241,812</u>		<u>489,817</u>
Creditors: amounts falling due within one year	6		<u>(1,066,078)</u>		<u>(931,770)</u>
Net current liabilities			<u>(824,266)</u>		<u>(441,953)</u>
Total assets less current liabilities			<u>(541,193)</u>		<u>(186,029)</u>
Creditors: amounts falling due after more than one year	7		(5,976,154)		(5,428,679)
Net liabilities			<u>(6,517,347)</u>		<u>(5,614,708)</u>
Capital and reserves					
Called up share capital	8		2,500,001		1
Profit and loss reserves			(9,017,348)		(5,614,709)
Total equity			<u>(6,517,347)</u>		<u>(5,614,708)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23/6/2021 | 6:01 PM and are signed on its behalf by:

DocuSigned by:

 G. A. Neville
 Director

Company Registration No. 08912116

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Salford City Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Worsley Court, High Street, Worsley, Manchester, M28 3NJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is reliant on the continued support of its directors and shareholders, it has been confirmed that this support will continue for the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Gate receipts and other match day revenues are recognised as the games are played.

Revenue from season tickets sales is credited to income over the period to which it relates.

Sponsorship, advertising and other similar commercial income is recognised over the duration of the contracts to which it relates.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Players' registrations

Straight line basis over period of contract

1.5 Tangible fixed assets

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

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

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

Plant and machinery	15% straight line
Computer equipment	33% straight line
Equipment	25% straight line
Fixtures and Fittings	33% straight line

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

Basic financial assets

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

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Classification of financial liabilities

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

Basic financial liabilities

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

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

1.10 Equity instruments

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

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.12 Retirement benefits

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

1.13 Leases

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

2 Employees

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

	2020 Number	2019 Number
Total	115	85

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

3 Intangible fixed assets

	Players' registrations £
Cost	
At 1 July 2019	488,500
Additions	280,875
Transfers	(388,500)
	<hr/>
At 30 June 2020	380,875
	<hr/>
Amortisation and impairment	
At 1 July 2019	288,250
Amortisation charged for the year	251,092
Transfers	(388,500)
	<hr/>
At 30 June 2020	150,842
	<hr/>
Carrying amount	
At 30 June 2020	230,033
	<hr/> <hr/>
At 30 June 2019	200,250
	<hr/> <hr/>

4 Tangible fixed assets

	Plant and machinery £	Computer equipment £	Equipment £	Fixtures and Fittings £	Total £
Cost					
At 1 July 2019	29,301	46,683	21,810	-	97,794
Additions	-	14,985	4,854	5,795	25,634
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2020	29,301	61,668	26,664	5,795	123,428
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation and impairment					
At 1 July 2019	9,568	26,264	6,288	-	42,120
Depreciation charged in the year	4,395	18,341	4,616	916	28,268
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2020	13,963	44,605	10,904	916	70,388
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount					
At 30 June 2020	15,338	17,063	15,760	4,879	53,040
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2019	19,733	20,419	15,522	-	55,674
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	103,052	75,927
Other debtors	26,524	351
Prepayments and accrued income	16,224	171,254
	<u>145,800</u>	<u>247,532</u>

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	363,104	323,591
Taxation and social security	644,587	154,198
Other creditors	37,100	119,050
Accruals and deferred income	21,287	334,931
	<u>1,066,078</u>	<u>931,770</u>

7 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Amounts owed to group undertakings	5,876,254	5,428,679
Other creditors	99,900	-
	<u>5,976,154</u>	<u>5,428,679</u>

8 Called up share capital

	2020 £	2019 £
Ordinary share capital issued and fully paid 2,500,001 (2019: 1) Ordinary share of £1 each	<u>2,500,001</u>	<u>1</u>

SALFORD CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Alex Hesketh .
The auditor was Cowgill Holloway LLP.

10 Related party transactions

Old Trafford Supporters Club Limited supplied goods to the company totalling £69,688 (2019: £86,195). The amount owed to Old Trafford Supporters Club Limited at the year end was £13,016 (2019: £29,702).

Relentless Management Services Limited supplied goods to the company totalling £15,110 (2019: £4,000). The amount owed to Relentless Management Services Limited at the year end was £13,016 (2019: £600).

Salford City Football Club supplied goods and services to Foundation 92 totalling £792 (2019: £nil). The amount owed to Foundation 92 at the year end was £8,100 (2019: £112,480).

Salford City Football Club supplied goods and services to Buzz 16 Productions Limited totalling £260,000 (2019: £250,000).

The amount owed from GG Hospitality was £nil (2019: £1,500).

The above are deemed to be related parties by virtue of common directorship.

Ultimate repayment of the loan owed to Project 92 Limited has been guaranteed by the shareholders of Project 92 Limited.

The group takes advantage of Para 33.1A of FRS 102 exempting it to disclosure transactions within a 100% owned group whose accounts are consolidated.

11 Parent company

The parent company and ultimate controlling party of Salford City Football Club Limited is Project 92 Limited, a private company registered in England and Wales. No one individual has control of Project 92 Limited.

The results of Salford City Football Club Limited are included in the group financial statements of Project 92 Limited whose registered office is St Andrews Chambers, 21 Albert Square, Manchester, United Kingdom, M2 5PE.