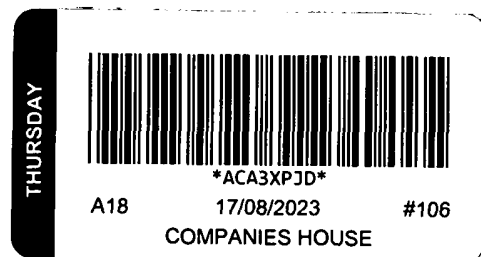


Company registration number 00370871 (England and Wales)

THE WARRINGTON FOOTBALL CLUB LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022



THE WARRINGTON FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors	K Fitzpatrick S Middleton
Secretary	C Agar
Company number	00370871
Registered office	The Halliwell Jones Stadium Mike Gregory Way Warrington Cheshire WA2 7NE
Auditor	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Business address	The Halliwell Jones Stadium Mike Gregory Way Warrington Cheshire WA2 7NE
Bankers	Lloyds Bank plc 53 King Street Manchester M2 4LQ

THE WARRINGTON FOOTBALL CLUB LIMITED

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THE WARRINGTON FOOTBALL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2022

The directors present their annual report and financial statements for the year ended 30 November 2022.

Principal activities

The principal activity of the company continued to be that of the playing of professional rugby league football as a member of the Rugby Super League.

2022 proved to be a financially challenging year, despite an increase in turnover to £6.0 million (2021: £5.2 million) revenues did not recover to pre-pandemic levels of £7.4 million.

Losses after tax increased to £1.3 million which was slightly worse than expected with several mitigating factors.

The effects of the covid-19 pandemic and the unprecedented financial challenges are still being felt due to the impact on sales and costs during 2020 and 2021, resulting in additional liabilities.

The reduced revenue from the central distribution and broadcast rights impacted revenue in 2022 and will continue to do so in 2023. Negotiations are taking place with the relevant parties for an increased broadcast deal for 2024 and beyond now the 12-year partnership with IMG and RL Commercial is in place.

The performance of the team in the 2022 season was disappointing, ending in a near bottom of the table finish. This affected revenues with gate, hospitality and retail revenues significantly below budget.

Many of the team were out of contract allowing for a re-build for the 2023 season which is proving fruitful with greater success on and off the field.

Expenditure remains to be under tight and prudent budgetary controls balanced with running an efficient and progressive business geared for growth and success. The stadium will continue to be updated and improved to ensure an attractive and modern venue for our customers.

The club continues to require additional funds which will be provided by the Directors for the foreseeable future.

Results and dividends

No interim ordinary dividend was paid in the year. The directors do not recommend payment of a final dividend.

Directors

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

K Fitzpatrick
S Middleton

Auditor

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

THE WARRINGTON FOOTBALL CLUB LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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.

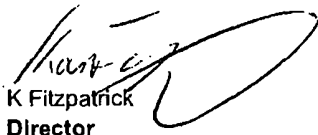
Statement of disclosure to auditor

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

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


K Fitzpatrick
Director

28 June 2023

THE WARRINGTON FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE WARRINGTON FOOTBALL CLUB LIMITED

Opinion

We have audited the financial statements of The Warrington Football Club Limited (the 'company') for the year ended 30 November 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE WARRINGTON FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE WARRINGTON FOOTBALL CLUB LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement included within the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, UK tax, employment, pension and health and safety legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements and the risk of fraudulent revenue recognition.

THE WARRINGTON FOOTBALL CLUB LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE WARRINGTON FOOTBALL CLUB LIMITED

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jackson Stephen LLP

Peter Atkinson F.C.A.
Senior Statutory Auditor
For and on behalf of Jackson Stephen LLP

15/08/2023

Date:

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

THE WARRINGTON FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	5,965,184	5,210,527
Cost of sales		(426,872)	(384,673)
Gross profit		5,538,312	4,825,854
Administrative expenses		(6,585,606)	(6,601,076)
Other operating income		-	529,122
Operating loss	4	(1,047,294)	(1,246,100)
Interest receivable and similar income	7	80	277
Interest payable and similar expenses	8	(50,348)	(18,847)
Loss before taxation		(1,097,562)	(1,264,670)
Tax on loss	9	(204,918)	204,918
Loss for the financial year		(1,302,480)	(1,059,752)

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

THE WARRINGTON FOOTBALL CLUB LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		77,539		105,780
Current assets					
Stocks	11	275,903		137,902	
Debtors	12	2,856,197		3,303,949	
Cash at bank and in hand		54,425		75,000	
		3,186,525		3,516,851	
Creditors: amounts falling due within one year	13	(3,712,645)		(3,477,162)	
Net current (liabilities)/assets			(526,120)		39,689
Total assets less current liabilities			(448,581)		145,469
Creditors: amounts falling due after more than one year	14		(2,059,966)		(2,129,136)
Net liabilities			(2,508,547)		(1,983,667)
Capital and reserves					
Called up share capital	17		1,723,000		1,723,000
Capital contribution reserve	18		777,600		-
Profit and loss reserves	18		(5,009,147)		(3,706,667)
Total equity			(2,508,547)		(1,983,667)

The financial statements were approved by the board of directors and authorised for issue on 28 June 2023 and are signed on its behalf by:



K Fitzpatrick
Director

Company Registration No. 00370871

THE WARRINGTON FOOTBALL CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2022

	Share capital £	contribution reserve £	Profit and loss reserves £	Total £
Balance at 1 December 2020	1,723,000	-	(2,646,915)	(923,915)
Year ended 30 November 2021:				
Loss and total comprehensive income for the year	-	-	(1,059,752)	(1,059,752)
Balance at 30 November 2021	1,723,000	-	(3,706,667)	(1,983,667)
Year ended 30 November 2022:				
Loss and total comprehensive income for the year	-	-	(1,302,480)	(1,302,480)
Other movements	-	777,600	-	777,600
Balance at 30 November 2022	1,723,000	777,600	(5,009,147)	(2,508,547)

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

Company information

The Warrington Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Halliwell Jones Stadium, Mike Gregory Way, Warrington, Cheshire, WA2 7NE.

1.1 Accounting convention

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

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

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

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

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Warrington Sports Holdings Limited. These consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

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, despite the company having net liabilities of £2,508,547 at the balance sheet date, due to the continued financial support of its parent company and its directors. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

1.3 Turnover

Turnover represents amounts receivable for goods sold and services provided by the balance sheet date net of VAT and trade discounts, and comprises:

-Income receivable from all match day activities from Warrington Wolves games held at The Halliwell Jones Stadium, together with the Club's share of gate receipts from cup matches played elsewhere;

-Income receivable from media contracts, including contracts centrally negotiated by the Rugby Super League; and

-Income receivable from the exploitation of the Warrington Wolves brand through sponsorship and commercial agreements.

Income received prior to the year end in respect of future seasons is treated as deferred income.

1.4 Tangible fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	25% per annum reducing balance basis
----------------------------------	--------------------------------------

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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.

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

1.7 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.

1.8 Financial instruments

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

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

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

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.

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

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

Current tax

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

Deferred tax

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

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

1.11 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

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

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 leased asset are consumed.

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. No critical judgements or estimates have been made by the director in preparing these financial statements.

The critical estimates made by the directors in preparing these financial statements relate to the assessment of the useful economic lives of the company's tangible fixed assets when determining the appropriate depreciation policies as disclosed in note 1.4, as well as their assessment of the required level of stock and debtor provisions to ensure that the company's assets are included at the correct carrying amounts at the balance sheet date.

3 Turnover and other revenue

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

	2022	2021
	£	£
Turnover analysed by class of business		
Income generated from the operation of a professional rugby league club	5,327,215	4,553,709
Sale of merchandise	637,969	656,818
	<u>5,965,184</u>	<u>5,210,527</u>
	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>5,965,184</u>	<u>5,210,527</u>

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

3 Turnover and other revenue **(Continued)**

	2022	2021
	£	£
Other revenue		
Interest income	80	277
Grants received	-	509,903
Sundry income	-	19,219
	<u> </u>	<u> </u>

4 Operating loss

	2022	2021
	£	£
Operating loss for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	9,250	9,000
Depreciation of owned tangible fixed assets	25,846	35,261
Loss/(profit) on disposal of tangible fixed assets	2,395	(1,944)
Operating lease charges	3,943	14,282
Property rental income	(272,681)	(254,144)
	<u> </u>	<u> </u>

5 Employees

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

	2022	2021
	Number	Number
Players	59	61
Coaches and fitness staff	22	20
Administration	34	36
Ground and matchday staff	3	4
	<u> </u>	<u> </u>
	118	121
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	4,668,991	4,809,911
Social security costs	459,482	488,751
Pension costs	89,731	88,941
	<u> </u>	<u> </u>
	5,218,204	5,387,603
	<u> </u>	<u> </u>

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

6 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	93,200	105,708
Company pension contributions to defined contribution schemes	7,200	5,794
	<u>100,400</u>	<u>111,502</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2021 - 1).

7 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	80	34
Other interest income	-	243
	<u>80</u>	<u>277</u>

8 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts	248	1,778
Interest on bank loans	50,100	17,069
	<u>50,348</u>	<u>18,847</u>

9 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(204,918)
Adjustments in respect of prior periods	204,918	-
	<u>204,918</u>	<u>(204,918)</u>

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

9 Taxation

(Continued)

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

	2022 £	2021 £
Loss before taxation	(1,097,562)	(1,264,670)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(208,537)	(240,287)
Tax effect of expenses that are not deductible in determining taxable profit	6,832	677
Unutilised tax losses carried forward	201,705	239,610
Adjustments in respect of prior years	204,918	-
Research and development tax credit	-	(204,918)
Taxation charge/(credit) for the year	204,918	(204,918)

A UK corporation tax rate of 25% was announced in the Chancellor's Budget of 3 March 2021, and will apply from 1 April 2023.

The company has estimated losses of £4,917,297 (2021: £3,855,693) available for carry forward against future trading profits. A deferred tax asset has not been recognised in respect of these losses in view of the uncertainty of the timing and extent of their utilisation.

10 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 December 2021	670,174
Disposals	(55,007)
At 30 November 2022	615,167
Depreciation and impairment	
At 1 December 2021	564,394
Depreciation charged in the year	25,846
Eliminated in respect of disposals	(52,612)
At 30 November 2022	537,628
Carrying amount	
At 30 November 2022	77,539
At 30 November 2021	105,780

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

11 Stocks

	2022 £	2021 £
Goods for resale	275,903	137,902

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	363,006	141,497
Amounts owed by group undertakings	1,782,902	2,609,866
Other debtors	29,232	9,997
Prepayments and accrued income	681,057	542,589
	2,856,197	3,303,949

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other borrowings	15	78,489	40,000
Trade creditors		424,341	333,172
Amounts owed to group undertakings		1,861,854	1,861,854
Taxation and social security		214,096	275,011
Other creditors		674,548	778,490
Accruals and deferred income		459,317	188,635
		3,712,645	3,477,162

14 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Other borrowings	15	2,059,966	2,129,136
Amounts included above which fall due after five years are as follows:			
Payable by instalments		998,254	1,246,334

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

15 Loans and overdrafts

	2022 £	2021 £
Other borrowings	2,138,455	2,169,136
Payable within one year	78,489	40,000
Payable after one year	2,059,966	2,129,136

Included within other borrowings is a loan of £100,955 (2021: £121,636) which is secured by a general debenture over the assets of the company.

16 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	89,731	88,941

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2022 £	2021 £
Issued and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000
1,713,000 "A" ordinary shares of £1 each	1,713,000	1,713,000
	1,723,000	1,723,000

The "A" ordinary shares carry identical rights to the ordinary shares except for voting rights. In this respect the "A" ordinary shares have a weighting of five to one over the ordinary shares.

18 Profit and loss reserves

Profit and loss account - includes all current and prior period retained profits and losses net of distributions to shareholders.

Capital contribution reserve

The capital contribution reserve represents the introduction of funds by the ultimate parent company that does not constitute share capital or debt.

THE WARRINGTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

19 Operating lease commitments

Operating lease payments represent rentals payable by the company for certain items of plant and equipment. Leases are negotiated for an average term of 3 to 4 years.

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

	2022 £	2021 £
Within one year	3,667	376
Between two and five years	4,278	-
	<u>7,945</u>	<u>376</u>

20 Financial commitments, guarantees and contingent liabilities

The Warrington Football Club Limited and Warrington Sports Holdings Limited are subject to a cross guarantee in favour of the group's bankers. At 30 November 2022 the company had a contingent liability under this agreement amounting to £201,733 (2021: £360,450).

21 Related party transactions

At the balance sheet date the company owed £1,861,854 (2021: £1,861,854) to SJM Holdings North Limited, its ultimate parent company, following the advance of short term loans to the company.

22 Ultimate controlling party

The company is a subsidiary of Warrington Sports Holdings Limited, a company registered in England and Wales. The ultimate parent company is SJM Holdings North Limited, a company registered in England and Wales. Copies of the consolidated financial statements of both Warrington Sports Holdings Limited and SJM Holdings North Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate controlling party is deemed to be S Moran.