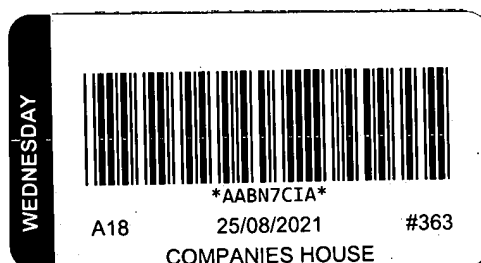


Company Registration No. 00370871 (England and Wales)

**THE WARRINGTON FOOTBALL CLUB LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**



# THE WARRINGTON FOOTBALL CLUB LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	K Fitzpatrick S Middleton	(Appointed 10 June 2021)
<b>Secretary</b>	C Agar	
<b>Company number</b>	00370871	
<b>Registered office</b>	The Halliwell Jones Stadium Mike Gregory Way Warrington Cheshire WA2 7NE	
<b>Auditor</b>	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD	
<b>Business address</b>	The Halliwell Jones Stadium Mike Gregory Way Warrington Cheshire WA2 7NE	
<b>Bankers</b>	Lloyds Bank plc 53 King Street Manchester M2 4LQ	

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# **THE WARRINGTON FOOTBALL CLUB LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 2
Independent auditor's report	3 - 4
Statement of income and retained earnings	5
Balance sheet	6
Notes to the financial statements	7 - 17

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# THE WARRINGTON FOOTBALL CLUB LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 NOVEMBER 2020**

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The directors present their annual report and financial statements for the year ended 30 November 2020.

### 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.

2020 was an extremely challenging year with the Club's finances significantly impacted by COVID-19, resulting in a loss of £712,000. The pandemic forced the Super League to shut down for five months, re-opening with matches having to be played behind closed doors. Not only did this impact Super League central distributions, gate and season ticket revenue but sponsorship and hospitality, retail, and the Club's conference and events business were all profoundly affected.

This is evident in the fall in turnover from £7.4m in 2019 to £4.6m in 2020. To offset the losses the Club responded swiftly, professionally, and prudently to mitigate the sizeable reduction in revenues. Voluntary salary cuts by employees and government support alongside the overwhelming generosity of our members and partners helped to reduce the losses. Although it appears we are through the worst of the pandemic, 2021 is shaping up to be another financially challenging year. The government loan accessed via the RFL provided welcome relief but is an additional liability that will need repaying for years to come. To ensure we remain competitive on-field and operate professionally off-field, the Club will 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:

S J Broomhead	(Resigned 10 June 2021)
K Fitzpatrick	
S Middleton	(Appointed 10 June 2021)

### 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 2020**

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### Statement of directors' responsibilities

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

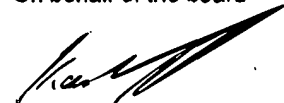
### Statement of disclosure to auditor

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

23 July 2021

# THE WARRINGTON FOOTBALL CLUB LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE WARRINGTON FOOTBALL CLUB LIMITED

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#### Opinion

We have audited the financial statements of The Warrington Football Club Limited (the 'company') for the year ended 30 November 2020 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

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#### 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 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; 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 take advantage of the small companies exemption 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.

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

Chartered Accountants  
Statutory Auditor

19/08/2021

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

# THE WARRINGTON FOOTBALL CLUB LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 NOVEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	4,625,135	7,396,218
Cost of sales		(262,471)	(521,099)
<b>Gross profit</b>		<b>4,362,664</b>	<b>6,875,119</b>
Administrative expenses		(5,521,161)	(6,657,153)
Other operating income/(expenses)		987,191	(55,000)
Exceptional items	4	(525,159)	-
<b>Operating (loss)/profit</b>	5	<b>(696,465)</b>	<b>162,966</b>
Interest receivable and similar income	8	211	250
Interest payable and similar expenses	9	(15,930)	(25,738)
<b>(Loss)/profit before taxation</b>		<b>(712,184)</b>	<b>137,478</b>
Tax on loss/profit	10	-	-
<b>(Loss)/profit for the financial year</b>		<b>(712,184)</b>	<b>137,478</b>
Retained earnings brought forward		(1,934,731)	(2,072,209)
Retained earnings carried forward		(2,646,915)	(1,934,731)

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



# THE WARRINGTON FOOTBALL CLUB LIMITED

## BALANCE SHEET

AS AT 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		109,342		147,648
<b>Current assets</b>					
Stocks	12	152,238		288,797	
Debtors	13	2,414,359		3,293,037	
Cash at bank and in hand		59,224		61,829	
		<u>2,625,821</u>		<u>3,643,663</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(3,012,791)</u>		<u>(3,895,542)</u>	
<b>Net current liabilities</b>			<u>(386,970)</u>		<u>(251,879)</u>
<b>Total assets less current liabilities</b>			<u>(277,628)</u>		<u>(104,231)</u>
<b>Creditors: amounts falling due after more than one year</b>	15		<u>(646,287)</u>		<u>(107,500)</u>
<b>Net liabilities</b>			<u>(923,915)</u>		<u>(211,731)</u>
<b>Capital and reserves</b>					
Called up share capital	18	1,723,000		1,723,000	
Profit and loss reserves	19	(2,646,915)		(1,934,731)	
<b>Total equity</b>			<u>(923,915)</u>		<u>(211,731)</u>

The financial statements were approved by the board of directors and authorised for issue on 23 July 2021 and are signed on its behalf by:



K Fitzpatrick  
Director

Company Registration No. 00370871

# THE WARRINGTON FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 NOVEMBER 2020**

---

### **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, Maundy, 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 £923,915 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 2020

### 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
Motor vehicles	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 2020

### 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 2020

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### 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 2020

### 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:

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
Income generated from the operation of a professional rugby league club	4,196,106	6,548,244
Sale of merchandise	429,029	847,974
	<u>4,625,135</u>	<u>7,396,218</u>
	2020 £	2019 £
<b>Other significant revenue</b>		
Interest income	211	250
Furlough grants received	987,191	-
	<u>987,402</u>	<u>250</u>
	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	<u>4,625,135</u>	<u>7,396,218</u>

# THE WARRINGTON FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

### 4 Exceptional item

	2020	2019
	£	£
<b>Expenditure</b>		
Exceptional sponsorship write-off	525,159	-

### 5 Operating (loss)/profit

	2020	2019
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	9,000	8,750
Depreciation of owned tangible fixed assets	36,447	49,214
Loss on disposal of tangible fixed assets	1,659	-
Operating lease charges	26,510	16,035
Property rental income	(264,699)	(320,993)

### 6 Employees

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

	2020	2019
	Number	Number
Players	55	55
Coaches and fitness staff	21	21
Administration	37	37
Ground and matchday staff	3	3
	116	116

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	3,859,713	4,508,413
Social security costs	446,470	470,668
Pension costs	87,982	90,165
	4,394,165	5,069,246

# THE WARRINGTON FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

### 7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	94,169	101,100
Company pension contributions to defined contribution schemes	10,959	9,900
	<u>105,128</u>	<u>111,000</u>

### 8 Interest receivable and similar income

	2020 £	2019 £
<b>Interest income</b>		
Interest on bank deposits	25	49
Other interest income	186	201
	<u>211</u>	<u>250</u>

### 9 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts	2,730	6,826
Interest on bank loans	13,200	18,912
	<u>15,930</u>	<u>25,738</u>

### 10 Taxation

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

	2020 £	2019 £
(Loss)/profit before taxation	<u>(712,184)</u>	<u>137,478</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(135,315)	26,121
Tax effect of expenses that are not deductible in determining taxable profit	2,832	1,602
Tax effect of utilisation of tax losses not previously recognised	-	(34,300)
Unutilised tax losses carried forward	129,665	-
Group relief	2,818	47
Change in unrecognised deferred tax asset	-	6,530
	<u>-</u>	<u>-</u>
Taxation charge for the year	<u>-</u>	<u>-</u>



# THE WARRINGTON FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

### 10 Taxation

(Continued)

The company has estimated losses of £2,776,169 (2019: £2,093,722) 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. A UK corporation tax rate of 25% was announced in the Chancellor's Budget of 3 March 2021, along with a temporary extension to the loss carry-back rules allowing up to £2m of tax losses to be carried back to the preceding 3 periods. The 25% rate will apply from 1 April 2023 and the carry-back of losses is expected to apply to year ends 30 November 2020 and 30 November 2021.

### 11 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 December 2019	673,760	6,900	680,660
Disposals	(26,743)	(6,900)	(33,643)
At 30 November 2020	647,017	-	647,017
<b>Depreciation and impairment</b>			
At 1 December 2019	526,803	6,209	533,012
Depreciation charged in the year	36,447	-	36,447
Eliminated in respect of disposals	(25,575)	(6,209)	(31,784)
At 30 November 2020	537,675	-	537,675
<b>Carrying amount</b>			
At 30 November 2020	109,342	-	109,342
At 30 November 2019	146,957	691	147,648

### 12 Stocks

	2020 £	2019 £
Goods for resale	152,238	288,797

### 13 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	98,862	253,928
Amounts owed by group undertakings	1,910,895	1,655,158
Other debtors	25,058	29,385
Prepayments and accrued income	379,544	1,354,566
	2,414,359	3,293,037

# THE WARRINGTON FOOTBALL CLUB LIMITED

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

### 14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans and overdrafts	16	1,142	63,863
Other borrowings	16	33,333	30,000
Trade creditors		252,732	862,115
Amounts owed to group undertakings		1,661,854	1,461,854
Taxation and social security		290,656	252,716
Other creditors		429,024	1,031,124
Accruals and deferred income		344,050	193,870
		<u>3,012,791</u>	<u>3,895,542</u>

### 15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Other borrowings	16	<u>646,287</u>	<u>107,500</u>

### 16 Loans and overdrafts

	2020 £	2019 £
Bank overdrafts	1,142	63,863
Other borrowings	679,620	137,500
	<u>680,762</u>	<u>201,363</u>
Payable within one year	34,475	93,863
Payable after one year	<u>646,287</u>	<u>107,500</u>

The bank overdraft and other borrowings are secured by a general debenture over the assets of the company. In addition, the bank overdraft facility is also secured by a personal guarantee provided by a director of the parent company totalling £600,000.

### 17 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>87,982</u>	<u>90,165</u>

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.

# THE WARRINGTON FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

### 18 Share capital

	2020 £	2019 £
<b>Issued and fully paid</b>		
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
	<u>1,723,000</u>	<u>1,723,000</u>

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.

### 19 Profit and loss reserves

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

### 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 2020 the company had a contingent liability under this agreement amounting to £505,818 (2019: £758,080).

### 21 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:

	2020 £	2019 £
Within one year	6,252	17,203
Between two and five years	2,288	17,847
	<u>8,540</u>	<u>35,050</u>

### 22 Related party transactions

At the balance sheet date the company owed £1,661,854 (2019: £1,461,854) to SJM Holdings North Limited, its ultimate parent company, following the advance of short term loans to the company.

# **THE WARRINGTON FOOTBALL CLUB LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 NOVEMBER 2020***

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### **23 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.