THE BLACKBURN ROVERS FOOTBALL AND ATHLETIC LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

(Registered no. 53482)

THE BLACKBURN ROVERS FOOTBALL AND ATHLETIC LIMITED

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YEAR ENDED 30 JUNE 2019

COMPANY INFORMATION

YEAR ENDED 30 JUNE 2019

DIRECTORS:	S Waggott (Chief Executive Officer) M Cheston (Finance Director) R Gandhi Babu R D Coar
SECRETARY:	I D Silvester
PRESIDENT:	K C Lee
VICE PRESIDENTS:	G R Root I R Stanners
HON VICE PRESIDENTS:	Rt Hon J Straw
REGISTERED OFFICE:	Ewood Park Blackburn BB2 4JF
COMPANY NUMBER:	53482
BANKERS:	State Bank of India Limited 15 King Street London EC2V 8EA
AUDITORS:	PM+M Solutions for Business LLP New Century House Greenbank Technology Park Challenge Way Blackburn BB1 5QB

First team

Making a swift and welcome return to the second tier, the 2018/19 Championship campaign proved to be a season of consolidation for Tony Mowbray's men.

Having secured automatic promotion from League One the previous season, the Rovers manager was keen to strengthen his squad to cope with the competitive demands of the Championship.

Promising young duo Joe Rothwell and Jacob Davenport were the first two players to arrive, from Oxford United and Manchester City respectively, for similar six-figure sums, before Rovers landed highly-rated Chelsea playmaker Kasey Palmer on a season-long loan.

Adam Armstrong then put pen-to-paper on a permanent deal from Newcastle United, following a successful loan spell during the second half of the 2017/18 season, and he was joined at Ewood Park by former England international Jack Rodwell.

Two loan captures completed Rovers' summer transfer activity, as Harrison Reed joined on a season-long loan from Southampton and talented teenager Ben Brereton arrived from Nottingham Forest.

Having finished the 2017/18 campaign with a flourish, Rovers picked up where they left off, going seven games unbeaten in all competitions at the start of the 2018/19 season, losing just one of their opening 10 league games and just three of their first 17.

Rovers recorded some impressive home wins throughout the campaign, over Leeds United, Sheffield Wednesday, West Bromwich Albion, Hull City and Derby County, and won four league games in succession in January to move to within just three points of the play-off positions.

January was a memorable month for Tony Mowbray and Adam Armstrong, who scooped the Sky Bet Manager and Player of the Month awards, whilst Rovers also signed youngsters Harry Chapman and Ben Brereton, and took Newcastle United to a replay in the third round of the FA Cup.

The team's fine form looked set to continue in February, as early goals from Bradley Dack and Danny Graham saw Rovers race into a 2-0 lead away at Brentford, before injuries to key players saw the hosts triumph 5-2.

The game signalled the start of a disastrous run of results, as Rovers recorded just one league victory from the next 11 games, losing nine, which effectively ended any hopes of gate-crashing the play-offs.

Confidence and belief was restored during the closing stages of the season, as Rovers again enjoyed a four-match winning streak, before signing off with a 2-2 draw at home to Swansea City.

Once again, there were some impressive individual contributions throughout the campaign, as goalkeeper David Raya produced some show-stopping saves between the sticks, Darragh Lenihan was Rovers' most dependable defender, whilst Captain Charlie Mulgrew again weighed in with a glut of goals, including three direct from corners!

In midfield, Harrison Reed's energetic displays made him a firm favourite with the fans, whilst Lewis Travis enjoyed a brilliant breakthrough campaign in blue-and-white. Further forward, Bradley Dack, once again produced some moments of magic, netting 16 goals and claiming countless assists, whilst Danny Graham led the line with the distinction, contributing 14 goals to the cause, including a memorable hat-trick against Sheffield Wednesday and his 50th goal in Rovers' colours in the win over Wigan, which saw him scoop both the Player of the Year and Players' Player of the Year awards at the club's end of season celebration.

Under-23s

Having secured promotion to Premier League 2 Division 1 the previous season, Rovers rose to the challenge in their first season of top-flight-football, securing a fifth-place finish.

Damien Johnson's side, who recorded impressive away victories over Liverpool, Tottenham Hotspur, Arsenal and Chelsea, also reached the quarter-finals of the Premier League Cup and lifted the Lancashire FA Senior Cup for the first time since 2011 with a 2-0 victory over local rivals Burnley in the final.
Promising youngsters John Buckley, Dan Butterworth, Tyler Magloire and Joe Grayson all made their first team debuts.

Under-18s

Rovers Under-18s ended the season in style, winning five of their last six games, to secure a seventh-place finish in the U18 Premier League North table, one place above Manchester City.

Billy Barr's side crashed out of the FA Youth Cup at the first hurdle, suffering a surprise third round defeat to Gillingham at Ewood Park, however several of Rovers' rising stars received international recognition, whilst defender Sam Barnes enjoyed a successful loan spell at Evo-Stik Premier Division side Marine FC and signed his first pro deal.

Ladies

Rovers Ladies finally gained promotion to the FA Women's Championship, following a successful application to compete in the second tier.

Gemma Donnelly's side secured a historic 'quadruple' by winning the FA Women's National League Northern Premier Division title for the third straight season, as well as retaining the League Cup with a dominant 3-0 victory over Crawley Wasps. Rovers Ladies also won the Lancashire Challenge Cup for the fifth year running and finished the season off in style with a 3-0 victory over Coventry United in the Championship play-off final.

The Development squad lifted the FA Women's National League Reserve Northern Division One title for the third year in succession and also won the Reserve League Cup for the first time since 2016 by beating Charlton Athletic on penalties.

There were also individual accolades, as manager Gemma Donnelly was named FA Women's National League Manager of the Year and star striker Saffron Jordan picked up the FA Women's National League Top goal scorer award.

Following promotion at the end of the 2018/19 campaign the focus for everyone working at or connected to the football club was to retain our status in a very competitive Championship League.

Due to the solid management of the first team squad under Tony Mowbray plus the total commitment of a tightly knit squad of players, retaining Championship status was achieved with the first team finishing in fifteenth place with a total of 60 points.

The owners and board would like to acknowledge the contribution, off the field, made by the administration and support staff whose application and enthusiasm throughout the year played an essential part in developing the stability and platform for future success.

With Championship status being retained and, following a visit to India to meet the owners at the end of May, the 2019 summer transfer window was a period that allowed Tony Mowbray to work on improving the quality and depth of his squad. This saw the arrival of permanent signings Sam Gallagher, Bradley Johnson and Stuart Downing.

Harry Chapman had joined us on a permanent contract in January 2019; Ben Gladwin extended his contract in the summer transfer window and Lewis Holtby joined in September 2019. Incoming loans included Greg Cunningham (Cardiff City), Christian Walton (Brighton and Hove Albion) and Tosin Adarabioyo (Manchester City).

A number of players including Charlie Mulgrew, Andrew Fisher, Matty Platt, Scott Wharton and Tyler Magloire all went out on loan.

David Raya (Brentford) and Joe Nuttall (Blackpool) were sold during the summer transfer window and we would like to state our appreciation for their contributions made to the club.

Willem Tomlinson's contract was mutually terminated at the end of January 2019 with Craig Conway, Jack Rodwell and Paul Downing leaving at the end of their contracts in June 2019. We thank them for all their efforts whilst employed and playing for the club.

During the 2018/19 season under the leadership of Head of Academy Stuart Jones, our Category 1 Academy Manager, planning was undertaken relating to expanding the profile of full time staff in line with the new Category 1 criteria. This resulted in a further increase in the Academy budget with eight new roles created from the 1 July 2019.

With the arrival of the new influx of Academy staff it gave us the opportunity to continue progressing a strategy of a more integrated approach between the Academy, the Under-23s and the first team. This will develop a seamless way of working across the Academy up to the First Team in recruitment, physiotherapy, diet and nutrition and sports science.

In the May 2019 meeting with the owners in India a decision was taken to increase the recruitment budget to allow the Head of Recruitment and Talent Identification to put together a more robust recruitment structure and expand our reach across Europe. The aim is to identify and recruit players from the UK and Europe who meet the criteria of the first team manager and who can play a part in the future success of the football club.

Following their promotion at the end of the 2017/18 season the Under-23s finished an impressive fifth in Premier League 2 Division 1 ahead of Manchester City, Chelsea and Tottenham. Brad Lyons, Louie Annesley, Tom White and Joe Hilton all signed permanent contracts with Okera Simmonds, Oliver Byrne, Lewis Hardcastle and Lewis Mansell leaving the club.

The Under-18s finished seventh in their League with 30 points with the emergence of Jack Vale as the stand out player throughout the 2018/19 campaign.

The Ladies achieved a remarkable clean sweep of four trophies that saw them promoted to the Women's Championship (WSL 2). Congratulations to Gemma Donnelly and all concerned for this remarkable achievement.

EXECUTIVE REPORT - continued

YEAR ENDED 30 JUNE 2019

As referred to in the Strategic Report the loss for the year increased by £1.4m from the previous year. This was due mainly to an increase in revenue from Sky / Broadcasting fees along with commercial growth following promotion being offset by an increase in first team playing and management costs plus a rise in operating costs. The club remained compliant with the Championship Profit and Sustainability rules in this period.

Following promotion to the Championship overall revenue receipts increased back to the levels the last time the club was in the Championship in 2016/17. Ticket revenue increased by 50%; retail increased by just under 25%; TV income increased by just under £5.4m to £7.4m with a real surge coming in sponsorship and advertising which nearly doubled to £1m. Catering also saw an increase of over £0.1m. These improved figures were also due to the hard work of the commercial team.

The Blackburn Rovers Community Trust continues to go from strength to strength with an increase in income in 2018/19 that allowed CEO Gary Robinson and his staff to increase the breadth of their community projects and the reach of where they actually deliver their highly regarded community engagement.

Further accolades were paid to the club and community trust during 2019 by the trust lifting the Community Initiative of the Year Award, for our BAME inclusion initiatives (The British Muslim Awards) and the Commitment to Blackburn and Darwen Award (HIVE Awards).

They were also nominated for Community Club of the Season - EFL and Non-League (Northwest Football Awards); Community Initiative of the Year Award, for their NCS Youth Board's ongoing charity work (Northwest Football Awards) and Partnering Scheme of the Year Award, jointly nominated with their PL Kicks partners, Places for People (Northern Housing Awards)

It is also worth noting that the trust's representative side also won the EFL Kids Cup at Wembley in May 2019; another outstanding year for the community trust, deserved recognition for a great team effort by all concerned.

Finally, the owners and the board would like to place on record our thanks and appreciation to all those who have supported the club, be they shareholders, corporate clients, partners and fans.

Steve Waggott
Chief Executive Officer
3rd December 2019

Principal activities

The principal activity of the company throughout the year continues to be that of a professional football club with related commercial activities.

Business review

For the year to 30 June 2019 the company recorded an operating loss before trading of intangible assets of £16.1m (2018 - loss £16.7m). A loss on trading of intangible assets of £1.6m (2018 - profit £0.3m) brought the pre-tax loss to £18.2m (2018 - loss £16.8m). The key performance indicators are as shown in the table below;

	2018/19 £m	2017/18 £m	2016/17 £m	2015/16 £m	2014/15 £m
Turnover	16.7	9.0	14.9	22.0	22.4
Wages & salaries	22.4	16.8	22.0	25.3	27.0
Other operating expenses	10.4	8.9	5.9	10.7	11.6
Operating loss before trading of intangible assets	(16.1)	(16.7)	(13.0)	(14.0)	(16.2)
Interest payable	0.5	0.4	0.6	1.5	0.9
Loss before trading of Intangible assets	(16.6)	(17.1)	(13.6)	(15.5)	(17.1)
Intangible fixed asset trading	(1.6)	0.3	9.8	14.0	(0.2)
(Loss) / Profit before tax	(18.2)	(16.8)	(3.8)	(1.5)	(17.3)
Net cash movements (out) / in	(3.0)	0.5	2.2	(1.4)	(0.9)
Closing cash and cash equivalent	(14.3)	(11.2)	(11.7)	(13.9)	(12.5)
Finishing position in the:					
EFL League 1		2nd	-	-	-
Championship	15th	-	22nd	15th	9th
Average league attendance	14,508	12,832	12,688	14,129	14,930
Wage to turnover %	134.1%	186.7%	147.7%	115.0%	120.5%
Number of live TV games	7	4	5	3	5

The loss for the year has increased by £1.4m from last year, due mainly to the increase in turnover of £7.7m offset by a reduction in profit from player sales of £1.9m, increase in wages and salaries of £5.6m and increase in operating expenses of £1.5m.

Turnover

Turnover has increased to £16.7m (2018 - £9.0m); match day income has increased by £0.9m (2019 - £3.7m: 2018 - £2.8m), media income has increased by £5.5m (2019 - £7.4m: 2018 - £1.9m), and commercial and other income have increased by £1.2m (2019 - £5.5m: 2018 - £4.3m).

Operating expenses

Promotion back into the Championship required the company to invest in the squad in order to be competitive, which is reflected in the increase in wages and salaries of £5.6m (2019 - £22.4m: 2018 - £16.8m). Operating expenses increased to £10.4m (2018 - £8.9m), this trend is consistent throughout most expenditure lines.

Trading of intangible fixed assets

The loss on intangible fixed asset trading was £1.6m (2018 - profit £0.3m), a reduction in profit of £1.9m. Amortisation of players' transfer costs increased by £1.4m to £2.2m (2018 - £0.8m).

In addition, payments totalling £0.4m were made to achieve player disposals during the year (2018 - £0.4m), and profit on sale of players during the year totalled £1.0m (2018 - £1.5m).

Cash flow

The company expended cash of £16.5m on operating activities compared to £12.2m in 2018. Receipts from player sales of £1.2m (2018 - £1.1m) were offset by £5.2m (2018 - £1.9m) for the acquisition and cost of disposal of player registrations and tangible fixed assets. There was an increased financial requirement of £4.1m and an increase of £0.1m in interest charges, which has resulted in a net decrease in cash of £3.0m in the year.

Principal risks and uncertainties

The board constantly assesses the threats to the business, by close monitoring of the football sector at its level, and via communication with the company's owners.

Business risks identified include reduced income arising from uncertainty as to progress of the company in the various competitions it participates in. During the year under review, the company has traded without restriction under Championship Profit and Sustainability rules.

The company is regulated by the rules of the FA, Football League, Premier League, UEFA and FIFA. Any change to the regulations of these bodies could have an impact on the company as they cover areas such as; competition format, distribution of media income, player eligibility and operation of the transfer market. The board ensures compliance with all relevant rules and regulations, and monitors the impact of any potential changes.

M Cheston

M Cheston
Finance Director
3rd December 2019

Directors

S Waggott	(Chief Executive Officer)
M Cheston	(Finance Director)
R Gandhi Babu	
R D Coar	

The directors present their report and financial statements for the year ended 30 June 2019.

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (The Financial Reporting Standard in the UK and Republic of Ireland).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Proposed dividends

The directors do not recommend the payment of a dividend (2018 - nil).

Employees and environmental policies

The company is committed to ensuring that it complies with all relevant legislation, in connection with unlawful or unfair discrimination of any kind in its business. The company's employment policies are designed to retain and motivate staff at all levels. During the year to 31 December 2018, the group maintained its 100% waste management recycle percentage, reducing its impact on the environment by handling 30 tonnes less waste, and saving over £15,300 in landfill tax. The company constantly monitors energy saving opportunities, and continues to implement policies, which resulted in a reduction in both energy and water consumption in the year to 30 June 2019.

Provision of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and PM+M Solutions for Business LLP will therefore continue in office.

This report was approved by the board on 3rd December 2019 and signed on its behalf by

M. Cheston

M Cheston
Finance Director

REGISTERED OFFICE
Ewood Park
Blackburn
BB2 4JF

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BLACKBURN ROVERS FOOTBALL AND ATHLETIC LIMITED

Opinion

We have audited the financial statements of The Blackburn Rovers Football and Athletic Limited for the year ended 30 June 2019 set out on pages 12 to 29. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (The Financial Reporting Standard in the UK and Republic of Ireland).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 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 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and;
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 Strategic Report and 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, 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 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 relating to going concern and using the going concern basis of accounting unless the directors 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 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 www.frc.org.uk/auditscopeukprivate . This description forms part of our auditors' 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.

PM+M Solutions for Business LLP

David Gorton (Senior Statutory Auditor)
for and on behalf of PM+M Solutions for Business LLP
Statutory Auditors
5 December 2019
New Century House
Greenbank Technology Park
Challenge Way
Blackburn
Lancashire
BB1 5QB

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2019

	Note	2019 £ Operations excluding trading of intangible fixed assets	2019 £ Trading of intangible fixed assets	2019 £ Total	2018 £ Total
TURNOVER	4	16,673,961	-	16,673,961	8,973,139
Operating expenses - non exceptional		32,773,458	2,235,888	35,009,346	26,462,154
OPERATING LOSS	5	(16,099,497)	(2,235,888)	(18,335,385)	(17,489,015)
Profit on disposal of intangible fixed assets	8	-	612,263	612,263	1,080,878
LOSS BEFORE INTEREST AND TAXATION		(16,099,497)	(1,623,625)	(17,723,122)	(16,408,137)
Net interest payable	9			(495,475)	(425,364)
LOSS BEFORE TAXATION				(18,218,597)	(16,833,501)
Taxation	10			-	656
LOSS FOR THE YEAR				(18,218,597)	(16,832,845)

The notes on pages 16 to 29 form an integral part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2019

	Note	2019	2019	2018	2018
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	11		7,873,101		1,246,989
Tangible fixed assets	12		30,800,983		31,547,448
Investments	13		100		-
			38,674,184		32,794,437
CURRENT ASSETS					
Stock	14	472,032		142,779	
Debtors - amounts falling due within one year	15	5,194,901		5,017,206	
- amounts falling due after one year	16	199,940		10,072	
Cash at bank and in hand	17	348,371		418,347	
		6,215,244		5,588,404	
CREDITORS:					
- amounts falling due within one year	18	152,573,869		130,498,497	
NET CURRENT LIABILITIES			(146,358,625)		(124,910,093)
TOTAL CURRENT ASSETS LESS CURRENT LIABILITIES			(107,684,441)		(92,115,656)
CREDITORS:					
- amounts falling due after one year	19		3,347,777		601,305
DEFERRED GRANTS	22		1,004,419		1,101,079
NET LIABILITIES			(112,036,637)		(93,818,040)
CAPITAL AND RESERVES					
Called up share capital	23		146,988,484		146,988,484
Revaluation reserve	24		1,295,825		1,295,825
Profit and loss account	24		(260,320,946)		(242,102,349)
SHAREHOLDERS' DEFICIT			(112,036,637)		(93,818,040)

The financial statements were approved by the board on 3rd December 2019 and signed on its behalf by:

M Cheston

M Cheston, Director

The Blackburn Rovers Football and Athletic Limited (Registered no. 53482)

The notes on pages 16 to 29 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2019

	Share capital	Revaluation reserve	Retained earnings	Total equity
	£	£	£	£
At 1 July 2018	**146,988,484**	**1,295,825**	**(242,102,349)**	**(93,818,040)**
Comprehensive loss for the year				
Loss for the year	**-**	**-**	**(18,218,597)**	**(18,218,597)**
At 30 June 2019	**146,988,484**	**1,295,825**	**(260,320,946)**	**(112,036,637)**

	Share capital	Revaluation reserve	Retained earnings	Total equity
	£	£	£	£
At 1 July 2017	146,988,484	1,295,825	(225,269,504)	(76,985,195)
Comprehensive loss for the year				
Loss for the year	-	-	(16,832,845)	(16,832,845)
At 30 June 2018	146,988,484	1,295,825	(242,102,349)	(93,818,040)

The notes on pages 16 to 29 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2019

	2019	2018
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial year	(18,218,597)	(16,832,845)
Adjustments for:		
Amortisation of intangible fixed assets	2,235,888	760,188
Profit on sale of intangible fixed assets	(612,263)	(1,080,878)
Depreciation of tangible fixed assets	1,332,240	1,345,677
Profit on sale of tangible fixed assets	(2,391)	(575)
Release of deferred grants	(96,660)	(96,660)
Net interest paid	495,475	425,364
(Increase) / Decrease in stock	(329,253)	244,648
Decrease / (Increase) in amounts owed by group undertaking	31,901	(823,818)
(Decrease) / Increase in debtors	(572,211)	1,261,153
(Decrease) / Increase in creditors	(789,604)	2,639,585
Net cash outflow from operations	(16,525,475)	(12,158,161)
Net Interest paid	(495,475)	(425,364)
Net cash outflow from operating activities	(17,020,950)	(12,583,525)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire intangible fixed assets	(4,482,669)	(696,286)
Payments to acquire tangible fixed assets	(293,985)	(406,088)
Payments to dispose of intangible fixed assets	(419,398)	(790,193)
Receipts from disposal of intangible fixed assets	1,204,408	1,051,409
Receipts from disposal of tangible fixed assets	2,391	575
Net cash inflow from investing activities	(3,989,253)	(840,583)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in amounts owed to group undertakings	18,083,844	13,925,954
Repayment of other loans and hire purchase creditor	(97,467)	(32,700)
Net cash inflow from financing activities	17,986,377	13,893,254
Increase in cash and cash equivalents	(3,023,826)	469,146
MOVEMENT IN CASH AND CASH EQUIVALENTS IN THE YEAR		
(Decrease) / Increase in cash and cash equivalents	(3,023,826)	469,146
At 1 July 2018	(11,247,296)	(11,716,442)
At 30 June 2019	(14,271,122)	(11,247,296)

The notes on pages 16 to 29 form an integral part of these financial statements.

1 COMPANY INFORMATION

The company is a private company, limited by shares and incorporated in England and Wales. The registered office is Ewood Park, Blackburn, BB2 4JF. The principal activity is that of a professional football club with related commercial activities.

2 ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold property and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The financial statements contain information about The Blackburn Rovers Football and Athletic Limited as an individual company and do not contain consolidated financial information as the parent company of a group. The company has taken advantage of the exemption available to it under s400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included within the consolidated financial statements of Venkys London Limited.

The principal accounting policies applied by the company are described below.

Going concern

At 30 June 2019 the company had net current liabilities of £146,358,625 and reported an operating loss, before changes in intangible fixed assets, of £16,099,497 for the year. In common with many football clubs, the company may continue to make operating losses and incur net cash outflows depending on a number of variables including the success of the team in league and cup competitions and the level of transfer activity. The company is funded through a bank overdraft facility, and shareholder loans, and in view of the current financial position the company remains reliant on its ability to maintain existing and obtain additional funding as necessary.

In managing the finances of the company the directors remain mindful of the need to ensure the company will comply with the Championship Profitability and Sustainability rules.

The bank facility with SBI is due to expire on 18 January 2020. The directors believe the facility will be renewed. As part of the directors' assessment of going concern they have prepared detailed cash flow forecasts for the period to the end of June 2021. These forecasts indicate that the company will require significant funding in addition to the current facilities available to the company.

The amount of additional funding required will be dependent on the net proceeds of any player trading, on field performance, and availability of bank facilities. In view of this the directors have received confirmation from the ultimate parent company (Venkateshwara Hatcheries Pvt. Ltd) that it has sufficient funds and is willing to provide such additional financing as may be required to fund the company, to the extent necessary for the company to continue to trade and to pay its liabilities as and when they become due, for the 12 months following approval of these accounts and thereafter for the foreseeable future, even in the event of the bank facility not being renewed.

2 ACCOUNTING POLICIES - continued

On the basis of the assessment outlined above the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly they adopt the going concern basis in preparing these financial statements.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Turnover and income recognition

Turnover is stated net of Value Added Tax and amounts due to the Premier League, Football League, Football Association and visiting football clubs. It includes gate receipts, executive boxes, sponsorships, merchandising, advertising, television fees, Football / Premier League pool and sundry related income.

Gate receipt and other match day revenue is recognised over a football season as the matches occur. Merchandising income is recognised at the point of sale. Other revenue comprising media and commercial income is apportioned evenly over the football season or contract term as appropriate.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible fixed assets

The costs associated with the acquisition of new players' registrations are capitalised as intangible fixed assets. These costs are fully amortised, in equal annual instalments, over the period of the player's initial contract. The external costs of securing the extension or renewal of an existing contract both for internally produced and externally purchased players are capitalised and amortised over the period of the players' new contract.

Signing on fees and other contingent fees payable to players as a result of the occurrence of one or more uncertain future events are expensed when they occur.

Impairment

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of income-generating units are allocated to the carrying amount of the intangible fixed assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

2 ACCOUNTING POLICIES - continued

Tangible fixed assets and depreciation

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

Motor vehicles	-	25%	per annum on cost
Fixtures and fittings	-	10%	per annum on cost
Computer equipment	-	20%	per annum on cost
Freehold buildings	-	2%	per annum on cost

No depreciation has been provided on freehold land.

Revaluation of tangible fixed assets

As permitted by the provisions of FRS 102 the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued in 1995 and will not update that valuation.

Fixed asset investments

Investment in subsidiary is measured at cost less any accumulated impairment losses.
A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2 ACCOUNTING POLICIES - continued

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured initially at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Grants

Grants are accounted for under the accruals model as permitted by FRS 102.

Revenue grants are credited to profit and loss account in the same period in which the revenue expenditure to which they relate is charged. Capital based grants are credited to revenue over the life of the asset to which they relate. The deferred element of grants is included as deferred income.

The useful lives are as follows:

Freehold buildings	50 years
Fixtures and fittings	10 years

2 ACCOUNTING POLICIES - continued

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

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

Pensions

The company is making contributions in respect of its share of the deficit of the defined benefit section of the Football League Pension and Life Assurance Scheme (the "Scheme").

Under the provisions of FRS 102 the Scheme is treated as a defined benefit multi-employer scheme. The financial statements provide for the company's estimated share of the Football League Limited Pension and Life Assurance deficit. The value provided is based on the current actuarial valuation dated 1 September 2017. Contributions are made as advised by the scheme actuary.

The company also makes contributions to defined contribution pension schemes for certain employees. The employer's contributions are charged to the profit and loss account in the year in which the liability to pay arises.

Differences between contributions payable in the year and contributions actually paid are shown as accruals or prepayments in the balance sheet.

Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

Operating Costs

The directors consider that all operating costs incurred can most accurately be categorised as administration costs.

3 JUDGMENT IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the company's accounting policies, which are described above, management has made some judgments that have significant effect on the amounts recognised in the financial statements. These also include key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date. The main areas of judgement that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to revenue recognition of central distributions from football authorities and impairment of fixed assets.

4 TURNOVER

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Matchday	**3,733,583**	2,771,909
Media	**7,431,044**	1,901,151
Commercial	**5,509,334**	4,300,079
	16,673,961	8,973,139

5 OPERATING LOSS

The operating loss is stated after charging / (crediting):

		2019	2018
		£	£
Amortisation of intangible fixed assets		**2,235,888**	760,188
Depreciation of tangible fixed assets:	owned by the company	**1,288,419**	1,328,537
	under hire purchase	**43,821**	17,140
Profit on disposal of tangible fixed assets		**(2,391)**	(575)
Auditors' remuneration:	audit work	**34,813**	30,850
	non audit work	**11,668**	7,087
Operating lease payments		**26,847**	28,558
Deferred grants release		**(96,660)**	(96,660)

6 STAFF COSTS

	2019	2018
	£	£
Wages and salaries	**19,631,909**	14,133,913
Social security costs	**2,647,996**	2,098,114
Other pension costs	**111,907**	540,380
	22,391,812	16,772,407

The average number of employees, including directors, during the year was as follows:

	2019	2018
	No.	No.
Senior football players and management	**81**	70
Academy football players and management	**52**	57
Commercial, sponsorship, media and merchandising	**37**	36
Administration	**23**	20
Building, ground and pitch maintenance	**33**	34
	226	217

7 DIRECTORS' REMUNERATION

Emoluments for services as directors:

	No. of directors	Salaries	Pension	Benefits	Total
		£	£	£	£
Executive directors:					
2019	**3**	**543,200**	**17,125**	**9,833**	**570,158**
2018	3	259,392	11,932	11,063	282,387

During the year 2 (2018 - 2) directors were members of a money purchase pension scheme.

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019	2018
	£	£
Remuneration for qualifying services	**319,329**	144,448
Company pension contributions	**925**	11,700

8 TRANSFER FEES AND ASSOCIATED COSTS

	2019	2018
	£	£
Amortisation of intangible fixed assets	**(2,235,888)**	(760,188)
Profit on disposal of intangible fixed assets	**612,263**	1,080,878
	(1,623,625)	320,690

9 NET INTEREST PAYABLE

	2019	2018
	£	£
Interest receivable		
Short term deposits and other interest	**407**	108
Interest payable		
On bank overdrafts and other loans	**(473,553)**	(421,024)
Hire purchase interest	**(22,329)**	(4,448)
	(495,882)	(425,472)
Net interest payable	**(495,475)**	(425,364)

10 TAXATION

	2019	2018
	£	£
The tax credit comprises:		
UK corporation tax	-	-
Adjustment in respect of prior year	-	656
Tax on loss on ordinary activities	-	656

The actual tax charge for the current year differs from the standard rate of 19% (2018 - 19%) for the reasons set out in the following reconciliation:

	2019	2018
Loss on ordinary activities before tax	**(18,218,597)**	(16,833,501)
Tax on loss on ordinary activities at 19% (2018 - 19%)	**(3,461,533)**	(3,198,365)
Effects of :		
Expenses not deductible for corporation tax purposes	**247,395**	32,441
Non-taxable income	**(18,365)**	(18,365)
Adjustments in respect of prior years	-	(656)
Deferred tax not recognised	**3,232,503**	3,271,471
Other permanent difference	-	(87,182)
Total amount of current tax	-	(656)

Taxable losses from previous years are available for offset against future taxable profits. A deferred tax asset has not been recognised in respect of those losses as the company does not anticipate taxable profits to arise within the foreseeable future. The estimated value of the deferred tax asset not recognised, measured at a standard rate of 17% (2018 - 17%) is £39m (2018 - £36m).

The research and development tax credit arose from expenditure in previous years within the company's medical team, which were not specifically identified as research costs in the financial statements.

11 INTANGIBLE FIXED ASSETS

		Player registrations
		£
Cost	At 1 July 2018	**3,414,907**
	Additions	**8,862,000**
	Disposals	-
	At 30 June 2019	**12,276,907**
Amortisation	At 1 July 2018	**2,167,918**
	Charge for the year	**2,235,888**
	On disposals	-
	At 30 June 2019	**4,403,806**
Net book value	**At 30 June 2019**	**7,873,101**
	At 1 July 2018	1,246,989

12 TANGIBLE FIXED ASSETS

	Freehold land and buildings	Fixtures, fittings and computer equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 July 2018	45,842,825	8,690,828	221,538	54,755,191
Additions	57,401	481,374	47,000	585,775
Disposals	-	(104,776)	(25,000)	(129,776)
At 30 June 2019	45,900,226	9,067,426	243,538	55,211,190
At cost	10,825,226	9,067,426	243,538	20,136,190
At valuation - 1995	35,075,000	-	-	35,075,000
	45,900,226	9,067,426	243,538	55,211,190
Depreciation				
At 1 July 2018	15,853,162	7,143,912	210,669	23,207,743
Charge for the year	857,480	460,162	14,598	1,332,240
On disposals	-	(104,776)	(25,000)	(129,776)
At 30 June 2019	16,710,642	7,499,298	200,267	24,410,207
Net book value				
At 30 June 2019	29,189,584	1,568,128	43,271	30,800,983
At 1 July 2018	29,989,663	1,546,916	10,869	31,547,448

The net book value of assets held under hire purchase contracts is £385,089 (2018 - £137,120), depreciation for the year on assets held under hire purchase contracts was £43,821 (2018 - £17,140). Included within freehold land and buildings is land at a value of £3,720,000 which has not been depreciated.

On the historical cost basis, land and buildings included at valuation would have been included as follows:

	2019	2018
	£	£
Deemed historical cost of revalued assets	34,099,059	34,099,059
Cumulative depreciation based on deemed historical cost	(14,324,434)	(13,006,126)
Deemed historical cost net book value	19,774,625	21,092,933

13 FIXED ASSET INVESTMENT

	Shares in Group Undertakings
	£
Cost	
Additions	**100**
At 30 June 2019	**100**

The investment represents 100% of the ordinary share capital of Blackburn Rovers Ladies Football Club Limited, registered in the UK. The subsidiary was dormant at the balance sheet date and will commence trading after the balance sheet date as a professional football club.

14 STOCK

	2019	2018
	£	£
Goods held for resale	**472,032**	142,779

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £1,050,412 (2018 - £896,509).

15 DEBTORS - amounts falling due within one year

	2019	2018
	£	£
Trade debtors	**1,189,184**	517,533
Football related debtors	**936,835**	1,299,450
Amounts owed by parent undertaking	**2,146,446**	2,178,347
Other debtors	**32,924**	205,200
Prepayments and accrued income	**889,512**	816,676
	5,194,901	5,017,206

16 DEBTORS - amounts falling due after more than one year

	2019	2018
	£	£
Football related debtors	**199,940**	10,072

17 CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash at bank and in hand	**348,371**	418,347
Bank overdraft	**(14,619,493)**	(11,665,643)
	(14,271,122)	(11,247,296)

18 CREDITORS - amounts falling due within one year

	2019	2018
	£	£
Bank overdraft	14,619,493	11,665,643
Amounts owed to parent undertaking	126,810,720	108,726,876
Trade creditors	2,497,764	1,422,652
Football related creditors	3,930,564	1,226,233
Social security and other taxes	2,396,339	4,206,649
Other creditors	109,991	69,120
Pension deficit	112,392	107,036
Hire purchase creditors	111,045	32,700
Accruals and deferred income	1,985,561	3,041,588
	152,573,869	130,498,497

The amounts due to the parent company of £126,810,720 (2018 - £108,726,876) have been treated as falling due within one year as this is the technical legal status of the loans at the balance sheet date. As described in note 2, subsequent to the year end the parent company has confirmed that, as in previous years, it will provide sufficient financing to support the company for the 12 months following approval of these accounts.

The amounts owed to the parent undertaking above are interest free with no fixed date for repayment.

The bank overdraft facility expires on 18 January 2020. The directors believe the facility will be renewed on acceptable terms and conditions.

The bank overdraft is secured by a corporate guarantee from the holding company, Venkys London Limited. Interest is paid upon the facility at 2.65% over 6 month GBP LIBOR.

Hire purchase creditors are secured by the assets to which they relate.

19 CREDITORS - amounts falling due after more than one year

	2019	2018
	£	£
Social Security and other taxes	1,067,886	-
Pension deficit	297,748	410,140
Hire purchase creditors	182,143	66,165
Football related creditors	1,800,000	125,000
	3,347,777	601,305

Hire purchase creditors are secured by the assets to which they relate.

20 FINANCIAL INSTRUMENTS

	2019	2018
	£	£
Financial assets measured at fair value through profit or loss	**348,371**	418,347
Financial assets that are debt instruments measured at amortised cost	**4,505,329**	4,210,602
	4,853,700	4,628,949
Financial liabilities measured at amortised cost	**153,227,559**	126,483,013

Financial assets measured at fair value through profit or loss comprise cash and bank balances.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise creditors, excluding deferred government grants and tax and social security.

21 HIRE PURCHASE CREDITORS

Minimum lease payments under hire purchase fall due as follows:

	2019	2018
	£	£
Within 1 year	**111,045**	32,700
Between 1 and 2 years	**100,650**	32,700
Between 2 and 5 years	**81,493**	33,465
	293,188	98,865

22 DEFERRED GRANTS

	2019	2018
	£	£
Outstanding at beginning of year	**1,101,079**	1,197,739
Released to profit and loss account in the year	**96,660**	96,660
Outstanding at end of year	**1,004,419**	1,101,079
Amount to be released within one year	**96,660**	96,660

23 CALLED UP SHARE CAPITAL

	2019	2018
	£	£
Allotted, called up - fully paid		
146,988,484 (2018 - 146,988,484) ordinary shares of £1 each	**146,988,484**	146,988,484

24 RESERVES

Profit and loss reserve:

The profit and loss reserve represents cumulative profits or losses. The current year profit and loss reserve amounts to a deficit of £260,320,946 (2018 - £242,102,349)

Revaluation reserve:

The revaluation reserve represents the cumulative effect of revaluations of freehold land and buildings. The current year revaluation reserve amounts to £1,295,825 (2018 - £1,295,825)

25 PENSIONS

Pension contributions are paid by the company into the personal pension schemes of certain employees. The assets of their schemes are held separately from those of the company in independently administered funds. The contributions paid during the year amounted to £111,907 (2018 - £81,529), of which £12,581 (2018 - £7,249) was outstanding at year end.

The company is a participating employer in the Football League Limited Pension and Life Assurance Scheme (the "Scheme"). Accrual of benefits under a final salary basis was suspended with effect from 31 August 1999 following an actuarial review, which revealed a substantial deficit. The company is advised of its share of the deficit in the Scheme and the contributions required to make good that deficit, based on the latest actuarial valuation at 1 September 2017. The increase in the deficit in the year, which has been charged as an expense, amounted to Nil (2018 - £458,851). The company's share of this deficit is currently estimated to be £410,140 (2018 - £517,176). This deficit has been provided for in these accounts and is included in creditors.

26 POTENTIAL FUTURE PLAYER REGISTRATION PAYMENTS

Under the terms of certain contracts for the purchase of players' registrations, future payments may be due, dependent upon the success of the team and/or the individual players. Similar terms exist in contracts for sales of players' registrations.

Any amount payable in relation to playing appearance and team performances are recognised when the event occurs. The maximum potential payment for amounts due to football clubs and other third parties for first team players is £3.9m (2018 - £2.1m).

27 CAPITAL COMMITMENTS

At 30 June 2019 the company had capital commitments as follows:

	2019	2018
	£	£
Contracted for but not provided in these accounts net of grants receivable	**87,645**	576,775

28 OTHER COMMITMENTS

At 30 June 2019 the company had future minimum lease payments under non cancellable operating leases as follows:

	2019	2018
	£	£
Within 1 year	**17,851**	26,022
Between 1 and 5 years	**13,420**	24,222

29 RELATED PARTY TRANSACTIONS

During the year, the company received rent and other income of £152,122 (2018 - £186,679) from Blackburn Rovers Community Trust. In addition certain expenses were incurred and recharged to Blackburn Rovers Community Trust. At the balance sheet date an amount of £18,792 (2018 - £5,471) was owed by the trust to the company in respect of these transactions, and is disclosed within other creditors / debtors. At 30 June 2019 Blackburn Rovers Community Trust had seven trustees, of which two were directors of The Blackburn Rovers Football and Athletic Limited.

30 PARENT COMPANY

The company is a subsidiary undertaking of Venkys London Limited, with Venkateshwara Hatcheries Pvt. Ltd. being the ultimate parent company, which is incorporated in India. Ultimate control is held by Mrs Anuradha J Desai, Mr B Venkatesh Rao and Mr B Balaji Rao.

The largest group in which the results of the company are consolidated is that headed by Venkys London Limited, incorporated in the United Kingdom. The consolidated financial statements of this group are available to the public and obtainable from Companies House.

31 POST BALANCE SHEET EVENTS

Since the balance sheet date the company has entered into transfer agreements amounting to net transfer fees payable of £1.9m (2018 - £7.6m), and capital expenditure of £0.1m (2018 - £0.7m).