

Company Registration No. 00335699 (England and Wales)

**BURNDEN LEISURE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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# BURNDEN LEISURE LIMITED

## COMPANY INFORMATION

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<b>Director</b>	K Anderson
<b>Company number</b>	00335699
<b>Registered office</b>	Macron Stadium Burnden Way Lostock Bolton BL6 6JW
<b>Auditor</b>	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR
<b>Bankers</b>	Barclays Bank plc 1 Market Street Bolton BL1 1XA
<b>Solicitors</b>	Neville Registrars Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

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**BURNDEN LEISURE LIMITED**

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# **BURNDEN LEISURE LIMITED**

## **CHAIRMAN'S STATEMENT**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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*The following Chairman's, financial and Corporate Social Responsibility statements will include reference to each individual company within the Burnden Leisure Group. It is therefore felt appropriate that the same version of these statements is included within the statutory accounts of each individual group company.*

#### **Chairman's Statement**

I am delighted to be able to report that during my first full season as your Chairman, the club has regained its place in the Sky Bet Championship after one season in League One.

An extremely long season culminated in a final game against Peterborough United, knowing a victory would see us promoted as runners up.

Along with 22,500 of our fantastic supporters I witnessed a memorable day and the wonderful scenes of celebration that followed a 3-0 victory.

The memories of the post-match celebration and the wonderful end of season event held that evening in the Premier Suite will remain as one of the happiest days of my career.

Having now been at the club for two years the true enormity of the task that lies before us becomes apparent.

The decline of this great club can be traced back over previous seasons, mismanagement both on and off the field has seen a true 'footballing institution' teeter on the edge of the financial abyss.

Financial prudence must be instilled throughout the football industry, no clearer example of this principle can be seen than at Bolton Wanderers.

#### **OPERATING RESULTS**

Our operating loss increased to £12.9m from £8m (2016) predominately due to the reduction in turnover following relegation and the end of the parachute benefit from the Premier League.

A detailed financial review has been produced and set out below this statement and I hope shareholders and supporters alike will find this new level of financial disclosure both helpful and enlightening.

#### **FOOTBALL**

As I have already stated, the team succeeded in gaining promotion back to the Championship, finishing in second place to a very good Sheffield United squad. We won 25 league games and drew 11, losing only ten times.

We were knocked out of the Emirates FA Cup by Premier League Crystal Palace after a replay in the third round and disappointingly in the first round of the EFL Cup at Blackpool.

Much of the credit for the fine promotion winning season must go to Phil Parkinson and his backroom staff. Phil was appointed along with Steve Parkin, Lee Butler, Matt Barrass, Nick Allamby and Tim Breacker on 1<sup>st</sup> June 2016

The new manager immediately imposed his footballing philosophy on the existing squad and despite the restrictions of the embargo placed on the club by the EFL, skilfully assembled a very strong group of highly motivated players.

During the season we signed nine senior players on permanent contracts and a further eight on temporary loans. My gratitude goes to all of the squad, football management and backroom staff for playing their part in a successful and exciting season.

The sale of the Euxton training ground prior to my arrival at the club has seen the senior squad return to The Eddie Davies Academy. Whilst this has put some pressure on the facilities, the benefit of our young players being able to train alongside the senior squad and in sight of Phil and his backroom staff has an undoubted benefit.

The Academy continued to perform at a Category 2 level, nine graduates were involved in the senior squad during the season. The continued success of the Academy is going to be crucial to the long term future of the club and it is imperative that the Academy continues to produce players for the First Team.

# **BURNDEN LEISURE LIMITED**

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### ***FOR THE YEAR ENDED 30 JUNE 2017***

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Investment for our Academy will continue to be made available as I believe a strong youth policy is vital for the future of the club.

I would like to congratulate Conor Wilkinson, Will Jaaskelainen, Jake Turner, Dennis Politic and Luca Connell who have all represented their respective countries during season 2016/17.

#### **BOLTON WHITES HOTEL**

The hotel division had a difficult year. Despite the continued hard work and dedication of our General Manager Suzanne Speak and her team, turnover was down. This was predominately due to a more disciplined approach when rationalising the profitability of potential business and the contribution such bookings make to net profit.

Long term confidence in the group's ability to continue trading also created a reluctance from some clients to commit to long term large corporate bookings. This impacted on turnover, predominantly in the Premier Suite on a non-match day.

We are now able to look forward to the return of other sporting events and outdoor concerts to Macron Stadium and some onerous uncommercial contracts agreed by the previous management coming to an end.

With much improved confidence in the group's long term prospects and the recent appointment of a specialist national consultancy company to assist in the ongoing review process, I expect both revenue and profit to increase and I am confident this division will continue to show improvements in the contribution made to the group finances over the next few years.

A summary of the hotel's financial performance is set out below this statement.

#### **SUPPORTER RELATIONS**

During the year we had the pleasure of meeting with many of our supporters to discuss all manner of topics.

I held an open Q&A evening in the Platinum Suite where over 200 supporters attended. We covered a lot of topics including on field matters as well our business plans for the long term.

We also had meetings with the Bolton Wanderers Supporters Association, Bolton Wanderers Supporters Trust as well as representatives from some of the more popular fan websites and blogs.

I am a firm believer in open and honest communications with our supporters and through our Head of Marketing and Communications, Paul Holliday, we have an open door communications policy.

Paul and his team held several focus groups, which comprised a broad section of our supporter base, throughout the year to gather insight and feedback on key matters.

Players and coaching staff regularly visited the Bolton Wanderers Supporters Association's social evenings, while we also held a number of signing sessions for supporters to meet their favourite players and obtain photographs and autographs over the course of the year.

In April, we held our annual community fixture where over 23,000 supporters attended our game against Chesterfield. Hundreds of community groups were in attendance and took part in a range of activities and events prior to kick off.

#### **BOLTON WANDERERS DEVELOPMENT ASSOCIATION**

I would also like to place on record my gratitude to the Bolton Wanderers Development Association (BWDA) who have supported the football club for over 40 years through their various lottery schemes.

Through these schemes they fund capital expenditure programmes which are put forward by the football club and approved by an elected committee of staff and supporters.

I also extend a huge thanks to all those who take part in the Goldline and Lifeline subscription lotteries, not to forget those who purchase match-day Golden Gamble tickets and Instant Win Scratchcards.

## **BURNDEN LEISURE LIMITED**

### **CHAIRMAN'S STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2017***

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It is the generosity and loyalty of the supporters and the people of Bolton who help to make the BWDA a continued success and a great asset to the football club.

#### **COMMUNITY TRUST**

The fantastic work by the Bolton Wanderers Community Trust is highlighted in the Corporate Social Responsibility section of this report and provides a detailed indication of the substantial work carried out in the community by the Club.

#### **ACKNOWLEDGEMENTS**

I would like to thank all those local businesses, sponsors and partners who supported our commercial activities on both match and non-matchdays, we are grateful for your continued support and certainly do not take your custom for granted.

We continue to work closely with Bolton Council and thank the chief executive Margaret Asquith and her colleagues for honouring our successful season by hosting a civic reception at the town hall, again our wonderful supporters turned out in their thousands to make it a very special evening for all in attendance. I would like to take this opportunity to wish Margaret a very long and happy retirement from public service.

I would like to thank my senior management team and all of our dedicated staff who have worked so diligently and selflessly for the club against a very uncertain financial backdrop for a number of seasons

Finally, I would like to thank most sincerely our incredible supporters. I am sure the rollercoaster ride has tested the patience of many, but without question the loyalty to your club is there for all to see.

We must never take for granted the Bolton Wanderers 'family' and remember to support each other during the bad times and to fully celebrate the good.

DocuSigned by:  
  
21860B411BAE4E0  
**Kenneth Anderson**  
**Chairman**

13/3/2018

# BURNDEN LEISURE LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 30 JUNE 2017

As mentioned in my Chairman's statement, we have produced a detailed business review comparing the 2016/17 financial year with the previous four years. This is not a requirement, but I do hope that shareholders and stakeholders alike will see the enormity of the task both undertaken and ahead if we are to bring financial stability to the business.

#### Bolton Wanderers Football Club

The table below sets out the financial performance of Bolton Wanderers Football Club over the past five years.

Season	2016/17	2015/16	2014/15	2013/14	2012/13
League	League One	Championship	Championship	Championship	Championship
Finishing Position	2nd	24th	18th	14th	7th
FA Cup Exit	Round Three	Round Four	Round Four	Round Four	Round Four
League Cup Exit	Round One	Round One	Round Three	Round Two	Round Two
League Attendance Average	15,194	15,056	15,421	16,309	18,093
Season Ticket Holders	10,257	10,126	10,844	11,844	12,711

#### Financial Performance

Season	2016/17	2015/16	2014/15	2013/14	2012/13
	£m	£m	£m	£m	£m
Turnover	8.3	24.3	23.1	30.6	28.5
Cost of Sales	(4.9)	(5.9)	(7.0)	(8.2)	(9.2)
Cost of Sales - Amortisation of player registrations	(0.4)	(1.4)	(1.5)	(0.1)	(20.7)
Wages & Salaries	(12.6)	(18.5)	(26.5)	(27.6)	(36.5)
Other Administrative Expenses	(2.0)	(5.0)	(3.6)	(3.2)	(4.0)
Depreciation	(1.3)	(1.5)	(1.7)	(1.8)	(2.0)
<b>Operating Loss</b>	<b>(12.9)</b>	<b>(8.0)</b>	<b>(17.2)</b>	<b>(10.3)</b>	<b>(43.9)</b>
Interest Receivable/(Payable) and Similar Charges	(1.3)	(0.5)	8.7	(0.3)	(7.3)
Profit on transfer of players registrations	5.5	0.4	3.6	1.2	0.0
Disposal of Fixed Assets & Other Investment Income	4.3	2.0	0.3	0.3	0.5
Non Recurring Exceptional Items	197.9				
<b>Profit/Loss for the Financial Year</b>	<b>193.5</b>	<b>(6.1)</b>	<b>(4.6)</b>	<b>(9.1)</b>	<b>(50.7)</b>

#### Turnover Analysis

Season	2016/17	2015/16	2014/15	2013/14	2012/13
	£m	£m	£m	£m	£m
Gate Receipts	3.1	3.3	4.1	3.4	3.8
Broadcasting	1.7	12.9	12.0	22.0	19.0
Corporate Hospitality	0.6	0.7	0.9	1.1	1.1
Merchandising	0.7	1.1	1.1	0.9	1.1
Sponsorship	0.8	1.7	1.9	1.2	1.4
Other	1.4	4.6	3.1	2.0	2.1
	<b>8.3</b>	<b>24.3</b>	<b>23.1</b>	<b>30.6</b>	<b>28.5</b>

Following relegation from the Sky Bet Championship to League One turnover decreased across the business during the financial year to £8.3m from £24.3m (2016). This was predominately due to the loss of the Premier League parachute payments which the Club had been in receipt of for the previous four years following relegation in the 2011/12 season. This led to broadcasting revenue dropping to £1.7m from £12.9m (2016) a reduction of £11.2m.

As with every football club the biggest cost to the business is that of the playing staff's wages. Total wages and salaries reduced by £5.9m from the previous year and the ability to achieve further reductions was hampered by the burden of a significant number of playing contracts that ran beyond the end of the 2015/16 season.

A great deal of work has also been undertaken to control all other costs throughout the business.

Encouragingly, this has resulted in a £4m reduction across cost of sales and administrative expenses. It is due to these cost savings that, despite the significant £16m reduction in turnover, the operating losses have only seen an increase of £4.9m from the levels experienced in the previous year. Striving for cost reductions is an ongoing

**BURNDEN LEISURE LIMITED**

**STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

process and it is hoped that further efficiencies can be achieved in the future, as and when some of the onerous contracts the company is committed to expire.

Another significant figure that is evident in the 2016/17 financial results is the £197.9m exceptional item. This relates to the write off of a historic loan balance that is now no longer repayable.

**Bolton Whites Hotel**

Following on from the Football Club, the table below sets out the financial performance of Bolton Whites Hotel over the same five year period.

Year	2016/17	2015/16	2014/15	2013/14	2012/13
	£m	£m	£m	£m	£m
Turnover	6.5	7.2	7.3	7.2	7.3
Cost of Sales	(3.0)	(3.5)	(4.0)	(3.8)	(1.3)
Wages & Salaries	(1.1)	(1.2)	(1.2)	(1.2)	(2.6)
Other Administrative Expenses inc Depreciation	(2.5)	(3.3)	(2.0)	(2.2)	(3.2)
Exceptional Items		0.4		2.9	
<b>Operating Profit/(Loss)</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>0.1</b>	<b>2.9</b>	<b>0.2</b>
Interest Payable and Similar Charges	(0.4)	(0.2)	(0.1)	(0.1)	(0.1)
<b>Profit/(Loss) for the Financial Year</b>	<b>(0.5)</b>	<b>(0.6)</b>	<b>0.0</b>	<b>2.8</b>	<b>0.1</b>
Occupancy Rate	82.90%	80.50%	76.80%	73.90%	79.80%
Average Room Rate	£48.12	£47.56	£48.40	£53.06	£49.00

The hotel has experienced another challenging year which has seen turnover fall to £6.5m, a reduction of £0.7m from the 2015/16 reporting period.

Turnover from accommodation achieved a marginal increase year on year as a result of increases in both occupancy and average room rate. The main reduction in turnover was attributable to the conference and events division of the business, due to a more stringent approach in reviewing the profitability of certain corporate bookings and also due to the caution shown by organisers of large events, who would not commit to bookings with long lead times.


**Principal risks and uncertainties**

The principal risk affecting the Group is the funding required to enable future investment and to fund the working capital on an ongoing basis. To mitigate this risk the Group have disposed of a number of significant assets and sought new ownership of the Group. The company's management will continue to secure further funding and continue to monitor all risks associated with the Group.

The directors also consider the principal risks facing the company are the performance and divisional status of the football team. In the light of this risk the company remains dependant on the continued support of its major shareholder.

The company is regulated by the rules of FIFA, UEFA, the FA and the EFL, the board ensures compliance with the relevant rules and regulations and monitors and considers the impact closely on any potential changes.

On behalf of the board

DocuSigned by:  
  
 21880B411BAE4E0  
**Kenneth Anderson**

**Chairman**

13/3/2018

## **BURNDEN LEISURE LIMITED**

### **STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY**

**FOR THE YEAR ENDED 30 JUNE 2017**

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#### **Statement on Corporate Social Responsibility**

##### **Bolton Wanderers Charities 2016/17**

During the 2016/17 season Bolton Wanderers Football Club, in partnership with Bolton Wanderers Community Trust, supported a number of local and national charities, fundraising for a variety of worthwhile causes. The Club believes it is important to use the BWFC brand in a positive way to give charities the opportunity to raise funds at the football club. The support involved ranges from match day bucket collections, social media support, player appearances, raffle prizes and anything else the charity needs assistance with.

##### **National Charity - Whizz-Kidz**

Whizz-Kidz is a charity supporting children and young people in local communities. The charity aims to transform the lives of disabled children by providing vital equipment, support and life skills they need, when they need them. The charity supports young wheelchair users in many ways, including providing specialist mobility equipment and training to ensure the equipment is used effectively and safely.

Whizz-Kidz also offers work placements to young wheelchair users aged 14-25; sourcing work experience which gives real life experiences to young wheelchair users that otherwise wouldn't be obtainable.

Through a match day collection, Christmas jumper collection and support with a Race Night at Macron Stadium, Whizz Kidz raised over £1,200.

##### **Local Charity - Bolton Young Parents Home**

In Bolton there are young, pregnant mums-to-be without a place they can call 'home', with no stable family history, no caring support and no personal understanding of routine and responsibility. Bolton Young Parents Home provides accommodation-based support for vulnerable young women and their children. It provides a period of stability, at a time when the women's lives have been chaotic; the charity works with the women to prepare them for independent living. This service, based on Radcliffe Road in Bolton, houses up to 10 young mothers and their children and is accessed via referral by mums or mums-to-be through social services, often due to homelessness.

Bolton Young Parents Home raised £1,221.64 by collecting on a match day and also during Bolton Wanderers' Annual Carol Concert.

##### **Associate Charity - The National Deaf Children's Society**

This charity empowers deaf children, young people and their families to determine what happens in their lives and shape the services they receive. They have a range of services which their 394 members in Bolton can access. As 90% of deaf children come from families with no first-hand experience of deafness, these services are critical in supporting a child's development. They accomplish this by providing free membership to parents and families, a free phone helpline, publications, a range of online resources on their website, young people's website, online forums and social media pages.

A match day collection helped The National Deaf Children's Society to raise £519.

##### **Associate Charity - The Sycamore Project-Zac's Youth Bar**

Zac's is based in Farnworth and engages with over 1,200 young people each year. Many of these young people suffer from high levels of exclusion, bullying, emotional/social/family issues, low self-esteem and low aspirations.

Zac's uses urban arts and a combination of formal and informal educational activities to engage and educate young people aged 8-18 (18-25 SEND), with some working towards nationally recognised qualifications.

Throughout the season Zac's raised £234.83

##### **Associate Charity-The Neuromuscular Centre**

The Neuromuscular Charity is a pioneering charity based in Winsford, and is a centre of excellence that provides specialised services for young people and adults affected by Muscular Dystrophy - a progressive and severe muscle-wasting condition. The Neuromuscular Charity has been providing physiotherapy and hydrotherapy,

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### **FOR THE YEAR ENDED 30 JUNE 2017**

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training and employment opportunities and information for 26 years now. It supports hundreds of individuals and families affected by Muscular Dystrophy from across the North West.

A match day collection helped The Neuromuscular Centre to raise £503.25.

As well as supporting different charities each season, Bolton Wanderers also support a number of charities on a long term basis. During the 2016/17 season, BWFC continued to support:

- Prostate Cancer who raised £960 through a bucket collection and badge sales on reception
- Urban Outreach who raised £323 through a Picnic on the Pitch event
- NHS Organ and Blood Donation Campaigns
- Poppy Appeal
- Know the Score-Bowel Cancer Awareness

Bolton Wanderers Football Club also donated thousands of tickets to schools, community groups and local charities and held a highly successful community fixture in partnership with Bolton at Home.

#### **Players in the Community**

The Club and Trust have once again worked with the first team squad for Community/Corporate Social Responsibility activities. This is seen as a positive step by football clubs to bring the club and players closer to their communities. This year the players have supported 285 'player in the community' appearances, highlighted by David Wheater, who was the PFA Club Community Champion. David said of the Community appearances:

*"As players, we know how crucial it is to give something back to the community and I was very lucky last season to get many opportunities to do just that. We are in a privileged position and having been at the club for so long now, I know just how much we can strengthen the relationship with Bolton and the football club as a whole with what we do in the community. I'm just happy to be able to give something back and hopefully put some smiles on faces."*

#### **Community Involvement.**

This year was yet another hugely successful year for CSR at the Club where the work in the Community has gone from strength to strength through Bolton Wanderers Community Trust. With 30 programmes being delivered out in the Community and volunteers engaged in activities that have transitioned to employment the impact of CSR has been great for the wider community of Bolton. Below are just few key highlights from the year.

This year Bolton Wanderers Community Trust refreshed their Mission Statement and focus in the Community to reflect the development of a new Vision for the town of Bolton.

#### **Mission Statement**

Through sport and positive engagement we provide quality experiences to the wider community that focus on narrowing the gap of disadvantage in Health, Education, Disability and Inclusion.

We aim to inspire people and raise aspirations while supporting physical and personal development to create a more active and healthy way of life.

Working in partnership we deliver innovative services across all sectors to support an active, connected and prosperous Bolton.

#### **Our Vision**

At Bolton Wanderers Community Trust we are committed to working at the heart of the community, realising potential.

- Heart of the Community - Our focus is to be local and relevant to the people and communities of Bolton with a passion for the diversity and concerns within the town.
- Realising potential - We recognise each individual has potential and we aim to help all the people we work with to realise that potential through the support and encouragement offered across all our programmes, volunteering opportunities and development of our workforce.

## **BURNDEN LEISURE LIMITED**

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**FOR THE YEAR ENDED 30 JUNE 2017**

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#### **Achievements throughout the Year**

Throughout the year the Trust continued to deliver stories of hope and positive outcomes across the wider Community.

#### **Strategic Role**

BWCT is well placed at the heart of the community, playing a leading role in various organisations, forums and committees including the development of strategic alliances across the voluntary and community sector and within sport across Bolton. It has representation on a number of additional boards and management groups including the Physical Activity Leadership Group, the English Football League Trust Advisory Board and the Bolton and Bury District Football League. During the past year it has played a significant role in helping to shape and develop the new Bolton Vision 2030, the new long term, community strategy for Bolton. It has reflected this in its own work going forward with adaptations to its vision, mission and focus which took place over a period of time after consultation with staff, a discussion with the Board of Trustees and discussion with partners. The new vision statement sums up the work of the Trust in being at the heart of the community and realising potential.

#### **Community Partners**

The Club and Trust have continued to develop its Community Partner model that encourages local businesses to engage with the Trust through financial support or "in kind" giving. This has resulted in some key partnerships being renegotiated including the partnership with Bolton at Home and the development of new partnerships such as UK Healthcare, who have sponsored a large proportion of our disability work this year. The Trust has had a number of individuals donate financially which has helped raise further unrestricted funds. Other companies have been generous through "in kind" giving, one example being O2 offering places for some looked after children on their Santa flights.

#### **Premier League Programmes**

The Trust continued to deliver and expand a number of highly successful traditional projects such as PL Kicks and PL Girls, (see below), and has also secured funding for exciting new projects such as PL Primary Stars. Already this programme has engaged over 2,000 individuals and over 4,000 in total through its enrichment programmes and competitions. 29 teachers have attended a CPD course delivered by the Trust and 27 teachers have been mentored in the provision of high quality PE lessons.

We have partnered with Create Development who offer schools not only training, but a full set of resources, helping to reduce the pressures put on teachers in terms of planning full schemes of work for PE. Chris Tonge a teacher from Sunning Hill Primary School said:

*"The course has given me the confidence to really look at and improve not just my delivery of PE but also how the school approaches PE. I know if I was to ask the teachers back at school the one subject they don't plan enough for that, that area would be PE. The use of the resources and assessment tools really does take a lot of pressure off the staff. I look forward to BWCT delivering the whole school training for the rest of the staff back at Sunning Hill."*

The charity received confirmation from the Premier League Charitable Fund that for the next two years the PL Primary Stars programme will be moved up to tier 2 from tier 3 - which means an increase in funding. This will allow the Trust to further enhance the programme and its activities, thus catering for more schools and their individual need.

#### **Aspirations**

The new Aspirations programme this year produced three high quality weeks of delivery across the academic year for year 5 & 6 pupils. The interactive workshops and real life experiences of the world of work enabled young people to discover and be inspired. The skills and experiences gained can be taken with them as they progress on to the next stage of their learning journey at high school. With over 400 children engaged across 13 classes in 9 schools it was a successful year.

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#### **In2Bolton**

Our In 2 Bolton project, funded by Warburtons, helped integrate those new to Bolton from different counties across the world. The project engaged with 55 families and 20 participants were able to gain numeracy and literacy awards. More than 100 people have been indirectly affected by the project in a positive way. This programme, in which we partner with Bolton Solidarity Community Association, has seen us engage with underrepresented families that live within Bolton, supporting them with any educational needs and general living requirements. This includes support with writing CVs, help with job interview techniques and support to claim job seekers' allowance.

#### **Every Player Counts**

Our new Every Player Counts programme, funded through The Wembley National Stadium Trust, has had a very successful start in developing our overall disability football provision and giving those on the scheme the opportunity to develop and grow. The programme offers one weekly community session, whilst also delivering taster sessions in six local schools to attract new participants. The sessions have attracted 90 new disabled participants to date. The up skilling of volunteers and casual staff on disability specific coaching has taken place and we have hosted autism training at the stadium for our staff.

#### **Dementia Friendly**

Furthering our commitment to creating a dementia-friendly stadium and town we have worked with Sporting Memories to develop a new monthly group meeting at Macron Stadium for older men with cognitive memory issues to come together to share their memories of BWFC from the past and create new friendships. With an average group of 12-15 participants this has included former players and has helped not only with issues around dementia but also with the prevention of social isolation. We have plans to expand this work across the wider town through our key partnerships.

#### **Trust Award**

Our Positive Chances programme that works with some of the most disadvantaged looked after children and young people in the town won the Initiative of the Year at the North West Football Awards in 2017. This has helped to raise the profile of this already well known programme across the North West.

The Award Winning Positive Chances programme works with young people in the care system aged 3-21, offering educational support, positive activities, one-to-one mentoring and a weekly youth club. All targets for this programme were exceeded with between 50 -75 attending the weekly Youth Club and more than 150 engaged through positive activities. Positive Chances is having a life-changing impact on a large number of young people.

John Daly, Director of People, Bolton Council:

*"As Bolton Council's Director of People, I am aware of the wonderful support we receive from Bolton Wanderers Community Trust, in particular their work with our looked after children.*

*Their activity based programmes, Coaching for Confidence and youth club schemes have benefited hundreds of our children over the last six years, often contributing to young people turning their lives around. Working alongside social workers, learning mentors and teachers, BWCT have accumulated a range of skills and knowledge that allows us to have confidence in their ability to work with the children in our care. Staff from the Positive Chances schemes are often asked to attend and contribute to Statutory Care planning reviews, Personal Education Planning meetings and in house training programmes.*

*BWCT regularly attend the Bolton Corporate Parenting Board, the meeting where we seek support for our work from council departments and partner agencies. This meeting seeks to oversee and implement work which improves the educational, social and financial outcomes for looked after children. BWCT's input is valued by all who attend this meeting."*

Roy Atwood from Home for Good:

*"Having enjoyed the help of BWCT for two years now, enabling Home for Good to support the work of foster carers and adopters, the value is clear. We don't take this for granted but very much hope it will continue, to the benefit of carers and children in Bolton."*

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# **BURNDEN LEISURE LIMITED**

## **STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **Overall Engagement**

The Trust has engaged with a large cross section of the local community during the past year, working with young children aged 1 right through to older participants up to the age of 82. We have engaged with a minimum of 7,700 unique participants during 6,814 sessions plus thousands of others through our large scale events, competitions and activities. Our engagement figures for underrepresented sporting groups also increased with 3,104 females engaged and 1,943 people from BME backgrounds. The number of young people gaining a qualification during the delivery year grew to 77.

Here are some of the further highlights of the year from our focus areas:

#### **Sport**

##### **PL4S**

Premier League for Sport, (PL4S) once again surpassed its engagement targets with its highest ever female engagement of 61%.

74 young people were also able to gain qualifications such as Sports Leaders Level 1 or Go Lead. These participants were then utilised on school game competitions through our strong links with Bolton SGOs.

##### **PL Girls**

Premier League Girls also surpassed engagement targets with 284 participants, 259 retained and 227 sustained. Across the year we delivered and/or entered 21 competitions and transitioned 26 participants into playing grassroots girl's football. We also created sessions for older women based around fitness such as a class entitled Soccersize.

A number of the participants were able to transition into Bolton Wanderers Ladies Football Club (BWLFC) to continue to develop as players and to play regular matches at weekends. Overall the girl's development centre has doubled in size since last Christmas and we are looking to expand into another area/venue to continue to develop opportunities within the game.

BWLFC under the guidance and support of the Trust, gained promotion for the first time in 30 years to the FA Women's Premier League. This has increased the ladies profile has allowed us the opportunity to gain sponsorship for our players to help to cover the high demand in travel costs for the new season.

#### **Inclusion**

##### **PL Kicks**

PL Kicks saw more than 1,600 young people engaged, over 20% of those were female. There are now 26 weekly sessions, up from 21 in 15 venues. 11 of these are based in the most disadvantaged areas of Bolton.

The outcomes for the young people include realising potential, inspiring ambition, developing skills, creating opportunities, development of confidence, resilience, self-esteem and social skills, as well as increased access to regular sporting activity.

Dominic Rice, Area Manager for Bolton Council's 5-19s Service:

*"Working alongside Bolton Wanderers Community Trust and their PL Kicks programme has been mutually beneficial to both of our organisations, the local communities in which we deliver our work and the beneficiaries who attend the sessions. Bolton Council has access to some fantastic facilities, and with a combination of Bolton Council and Bolton Wanderers Community Trust brands and staff we are able to provide high-quality sessions that engage young people across the town."*

Through further discretionary funding the Trust has been able to provide one-to-one mentoring for 20 young people and has appointed a full time mentor to help support and co-ordinate this work with additional part time and voluntary mentors.

## **BURNDEN LEISURE LIMITED**

### **STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY**

***FOR THE YEAR ENDED 30 JUNE 2017***

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#### **Inside Out**

Inside Out is a programme working with people age 17-25 who are at risk of re-offending. The work in prisons offers support and training opportunities. The Mental Health football delivery which sits within this programme has engaged with over 70 participants per week and new sessions have been introduced including boxing, café sessions and badminton in order to meet the demand.

#### **Education**

##### **Bolton Sports Alliance**

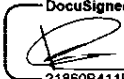
2016 saw the development of an exciting new strategic partnership, Bolton Sports Alliance, to enhance quality Sports provision across the borough. The Alliance consisting of Bolton Wanderers Community Trust, Bolton Lads and Girls Club, Bolton School and The Lancashire Outdoor Activities Initiative along with other local organisations, provides high quality sport and physical education opportunities for the community of Bolton using recognised local deliverers. This alliance of charitable trusts draws upon the key partners from the local sports clubs and organisations that all aim to give the young people of Bolton the highest level of experience.

#### **Health**

##### **Fitter Fans**

The project, aimed at targeting over 50s, was delivered throughout the course of the year in three 12 week blocks, all of which were at maximum capacity in terms of attendance, engaging over 60 participants in total. Using tailored sport and the football club as an engagement tool, we have contributed to reducing social isolation for a number of people across Bolton and have initiated positive thinking with regards to health, as well as increased participation in physical activity for the older generation. The Wanderers Fitter Fans initiative has built bridges into society and has provided a support system for those engaged.

DocuSigned by:



27860B411BAE4ED  
**Kenneth Anderson**

**Chairman**

13/3/2018

# **BURNDEN LEISURE LIMITED**

## **DIRECTOR'S REPORT**

### ***FOR THE YEAR ENDED 30 JUNE 2017***

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The director presents his annual report and financial statements for the year ended 30 June 2017.

#### **Principal activities**

The principal activity of the company and group continued to be that of a professional football club together with related commercial activities, a stadium incorporating an integrated hotel with accommodation, conference and leisure facilities and an integrated business centre.

#### **Director**

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

K Anderson

D Holdsworth

P E Anderson

(Resigned 25 August 2017)

(Appointed 31 August 2017 and resigned 8 September 2017)

#### **Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The director does not recommend payment of a further dividend.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Cowgill Holloway LLP be reappointed as auditor of the group will be put at a General Meeting.

#### **Statement of director's responsibilities**

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and 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 auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

**BURNDEN LEISURE LIMITED**


**DIRECTOR'S REPORT (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2017***

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On behalf of the board

DocuSigned by:

  
21860B411BAF4E0  
K Anderson

**Director**

Date: 13/3/2018 | 3:07 PM GMT

# **BURNDEN LEISURE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF BURNDEN LEISURE LIMITED**

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#### **Disclaimer of opinion on financial statements**

We have audited the financial statements of Burnden Leisure Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2017 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows, the Company Statement of Cash Flows 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).

As a result of the below, and in the absence of any alternative evidence available to us, we have been unable to form an opinion as to the applicability of the going concern basis. As a result, we have issued a disclaimer of opinion on the financial statements.

#### **Basis for disclaimer of opinion on the financial statements**

The audit evidence available to us to confirm the appropriateness of preparing the financial statements on a going concern basis was limited because Burnden Leisure Limited and its group of companies have not been able to substantiate any evidence that the group are able to continue to trade as a going concern. The group has provided no detailed financial projections demonstrating its ability to continue as a going concern. Without the availability of detailed financial projections we assume that the ability to continue as a going concern is dependent upon significant levels of investment and/or refinancing. Such funding has not currently been secured although we understand that the Chairman will continue to provide financial support to the group.

#### **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 director is 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**

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion, based on the work undertaken in the course of our audit:

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

**BURNDEN LEISURE LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BURNDEN LEISURE 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 director**

As explained more fully in the Director's Responsibilities Statement, the director is 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 director is responsible for assessing the group's and the parent 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 director either intend to liquidate the group or the parent 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 responsibility is to conduct an audit of the group's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the group 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.

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.

DocuSigned by:



CE52511F27C543D

**Stuart Stead (Senior Statutory Auditor)**  
for and on behalf of Cowgill Holloway LLP

14/3/2018 | 9:15 AM GMT

**Chartered Accountants**  
**Statutory Auditor**

Regency House  
45-53 Chorley New Road  
Bolton  
BL1 4QR

**BURNDEN LEISURE LIMITED**

**GROUP PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 30 JUNE 2017**

		30 June 2017			30 June 2016
	Notes	Operations excluding player trading £'000	Player Trading £'000	Total £'000	£'000
Turnover	3	14,714	-	14,714	30,767
Cost of sales		(19,224)	(389)	(19,613)	(27,331)
<b>Gross loss</b>		(4,510)	(389)	(4,899)	3,436
Administrative expenses		(9,192)	-	(9,192)	(12,146)
Other operating income		580	-	580	221
Exceptional item	4	-	-	-	406
<b>Operating loss</b>	5	(13,122)	(389)	(13,511)	(8,083)
Interest receivable and similar income	9	128	-	128	273
Interest payable and similar expenses	10	(1,712)	-	(1,712)	(701)
Amounts written off investments		(14)	-	(14)	-
Waiver of loan balance	4	5,200	-	5,200	170,305
Profit on transfer of player registrations		-	5,564	5,564	440
Profit/(loss) on disposal of tangible fixed assets	4	4,170	-	4,170	1,696
<b>Loss before taxation</b>		(5,350)	5,175	(175)	163,930
Taxation	11	-	-	-	-
<b>Loss after taxation</b>		(5,350)	5,175	(175)	163,930
<b>Loss for the financial year</b>		(5,350)	5,175	(175)	163,930
Loss for the financial year is attributable to:					
- Owners of the parent company				(184)	
- Non-controlling interests				9	
				(175)	

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Player trading consists of the amortisation of the costs of acquiring player registrations, profit on disposal of player registrations and the gains/losses on the player related foreign exchange movement.

**BURNDEN LEISURE LIMITED****GROUP STATEMENT OF COMPREHENSIVE INCOME*****FOR THE YEAR ENDED 30 JUNE 2017***


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	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>(Loss)/profit for the year</b>	(175)	163,930
<b>Other comprehensive income</b>	-	-
	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	(175)	163,930
	<hr/>	<hr/>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	(184)	163,935
- Non-controlling interests	9	(5)
	<hr/>	<hr/>
	(175)	163,930
	<hr/>	<hr/>

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**BURNDEN LEISURE LIMITED****GROUP BALANCE SHEET****AS AT 30 JUNE 2017**

		2017	2016
	Notes	£'000	£'000
<b>Fixed assets</b>			
Intangible assets	12	292	1,397
Tangible assets	13	36,905	39,545
Investments	14	-	14
		<u>37,197</u>	<u>40,956</u>
<b>Current assets</b>			
Stocks	17	231	391
Debtors	18	5,584	6,686
Cash at bank and in hand		133	938
		<u>5,948</u>	<u>8,015</u>
<b>Creditors: amounts falling due within one year</b>	19	<u>(38,396)</u>	<u>(39,516)</u>
<b>Net current liabilities</b>		<u>(32,447)</u>	<u>(31,501)</u>
<b>Total assets less current liabilities</b>		<u>4,750</u>	<u>9,455</u>
<b>Creditors: amounts falling due after more than one year</b>	20	<u>(5,310)</u>	<u>(9,840)</u>
<b>Net liabilities</b>		<u>(560)</u>	<u>(385)</u>
<b>Capital and reserves</b>			
Called up share capital	25	18,892	18,892
Share premium account		2,053	2,053
Capital redemption reserve		308	308
Other reserves		3,421	3,421
Profit and loss reserves		<u>(25,048)</u>	<u>(24,864)</u>
<b>Equity attributable to owners of the parent company</b>		<u>(374)</u>	<u>(190)</u>
<b>Non-controlling interests</b>		<u>(186)</u>	<u>(195)</u>
		<u>(560)</u>	<u>(385)</u>

The financial statements were approved by the board of directors and authorised for issue on 13/3/2018 | 3:07 PM GMT and are signed on its behalf by:

DocuSigned by:  
  
 K Anderson  
 Director

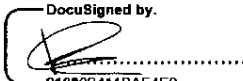
**BURNDEN LEISURE LIMITED****COMPANY BALANCE SHEET****AS AT 30 JUNE 2017**

		2017		2016	
	Notes	£'000	£'000	£'000	£'000
<b>Current assets</b>					
Debtors	18	87		206	
Cash at bank and in hand		-		24	
		<u>87</u>		<u>230</u>	
<b>Creditors: amounts falling due within one year</b>	19	<u>(10,757)</u>		<u>(15,575)</u>	
<b>Net current liabilities</b>			(10,670)		(15,345)
<b>Creditors: amounts falling due after more than one year</b>	20		(8)		(8)
<b>Net liabilities</b>			<u>(10,678)</u>		<u>(15,353)</u>
<b>Capital and reserves</b>					
Called up share capital	25		18,892		18,892
Share premium account			2,053		2,053
Capital redemption reserve			308		308
Profit and loss reserves			<u>(31,931)</u>		<u>(36,606)</u>
<b>Total equity</b>			<u>(10,678)</u>		<u>(15,353)</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £4,675k (2016: £105,805k)

The financial statements were approved by the board of directors and authorised for issue on 13/3/2018 | 3:07 PM GMT and are signed on its behalf by:

DocuSigned by:



K Anderson

Director

Company Registration No. 00335699

**BURNDEN LEISURE LIMITED****GROUP STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2017**

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other reserves £'000	Profit and loss reserves £'000	Total controlling interest £'000	Non-controlling interest £'000	Total £'000
<b>Balance at 1 July 2015</b>	18,892	2,053	308	3,421	(188,799)	(164,125)	(190)	(164,315)
<b>Year ended 30 June 2016:</b>								
Profit and total comprehensive income for the year	-	-	-	-	163,935	163,935	(5)	163,930
<b>Balance at 30 June 2016</b>	18,892	2,053	308	3,421	(24,864)	(190)	(195)	(385)
<b>Year ended 30 June 2017:</b>								
Loss and total comprehensive income for the year	-	-	-	-	(184)	(184)	9	(175)
<b>Balance at 30 June 2017</b>	18,892	2,053	308	3,421	(25,048)	(374)	(186)	(560)

**BURNDEN LEISURE LIMITED****COMPANY STATEMENT OF CHANGES IN EQUITY*****FOR THE YEAR ENDED 30 JUNE 2017***


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	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 July 2015</b>	18,892	2,053	308	(142,411)	(121,158)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Year ended 30 June 2016:</b>					
Profit and total comprehensive income for the year	-	-	-	105,805	105,805
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 30 June 2016</b>	18,892	2,053	308	(36,606)	(15,353)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Year ended 30 June 2017:</b>					
Profit and total comprehensive income for the year	-	-	-	4,675	4,675
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 30 June 2017</b>	18,892	2,053	308	(31,931)	(10,678)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**BURNDEN LEISURE LIMITED**

**GROUP STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2017**

		2017	2016
	Notes	£'000	£'000
<b>Cash flows from operating activities</b>			
Cash absorbed by operations	30	(4,747)	(8,681)
Interest paid		(1,712)	(701)
<b>Net cash outflow from operating activities</b>		(6,459)	(9,382)
<b>Investing activities</b>			
Purchase of intangible assets		-	(936)
Proceeds on disposal of intangibles		5,564	641
Purchase of tangible fixed assets		(50)	(247)
Proceeds on disposal of tangible fixed assets		15	6,238
Interest received		128	273
<b>Net cash generated from investing activities</b>		5,657	5,969
<b>Financing activities</b>			
Proceeds from borrowings		-	9,500
Repayment of bank loans		-	(5,769)
Payment of finance leases obligations		(15)	(41)
<b>Net cash (used in)/generated from financing activities</b>		(15)	3,690
<b>Net (decrease)/increase in cash and cash equivalents</b>		(817)	277
Cash and cash equivalents at beginning of year		938	661
<b>Cash and cash equivalents at end of year</b>		121	938
<b>Relating to:</b>			
Cash at bank and in hand		133	938
Bank overdrafts included in creditors payable within one year		(12)	-

**BURNDEN LEISURE LIMITED**

**COMPANY STATEMENT OF CASH FLOWS**

***FOR THE YEAR ENDED 30 JUNE 2017***

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	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>		
Cash absorbed by operations	(23)	(30)
Interest paid	(1)	-
	<hr/>	<hr/>
<b>Net cash outflow from operating activities</b>	<b>(24)</b>	<b>(30)</b>
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Net decrease in cash and cash equivalents</b>	<b>(24)</b>	<b>(30)</b>
Cash and cash equivalents at beginning of year	24	54
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>-</b>	<b>24</b>
	<hr/>	<hr/>

# **BURNDEN LEISURE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 30 JUNE 2017***

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### **1 Accounting policies**

#### **Company information**

Burnden Leisure Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Macron Stadium, Burnden Way, Lostock, Bolton, BL6 6JW.

The group consists of Burnden Leisure Limited and all of its subsidiaries.

#### **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 £'000.

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

#### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Burnden Leisure Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 June 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### **1.3 Going concern**

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

# BURNDEN LEISURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2017

#### 1 Accounting policies

##### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.5 Intangible fixed assets other than goodwill

In accordance with FRS102 "Goodwill and Intangible Assets", fees payable on the transfer of players' registrations are capitalised at cost and written off over the length of the players' contracts. Profit or loss on the sale of players' registrations is based on transfer fees receivable and amortised cost of the players and is recognised in the period in which the transfers are made. Players' registrations are written down for impairment when the carrying amount exceeds the amount recoverable through use or sale. Future payments for the acquisition of a player's registration, which may become due dependent on the performance of the team and/or the individual player, are recognised within the original cost of acquisition if, in the opinion of the Directors, it is probable that these payments will eventually be made. Similar terms may exist in contracts for the sale of players' registrations but such payments will eventually be made. Similar terms may exist in contracts for the sale of players' registrations but such payments are not recognised as part of the proceeds of disposal until the event upon which the payment is dependent is known to have occurred. Provision is made for any impairment.

##### 1.6 Tangible fixed assets

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

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

Stadium and academy	Over 50 years
Freehold Land	No depreciation charge
Hotel	Over 50 years
Plant and equipment	3 to 10 years

Assets in the course of construction are not depreciated.

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 recognised in the profit and loss account.

##### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

# **BURNDEN LEISURE LIMITED**

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

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies**

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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### **1.8 Impairment of fixed assets**

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

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# **BURNDEN LEISURE LIMITED**

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

**FOR THE YEAR ENDED 30 JUNE 2017**

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### **1 Accounting policies**

#### **1.9 Stocks**

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

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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

#### **1.10 Cash and cash equivalents**

Cash at bank and in hand 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.

#### **1.11 Financial instruments**

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### ***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# **BURNDEN LEISURE LIMITED**

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

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies**

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***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 group 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 group after deducting all of its 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.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# **BURNDEN LEISURE LIMITED**

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

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies**

##### ***Derecognition of financial liabilities***

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

##### **1.12 Equity instruments**

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

##### **1.13 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.

##### **1.14 Retirement benefits**

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

##### **1.15 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 income 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 lease asset are consumed.

##### **1.16 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.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****1 Accounting policies****1.17 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**1.18 Signing-on fees**

Signing-on fees are charged evenly to the profit and loss account over the period of the players' contracts. Where a player's registration is transferred any signing on fees payable in respect of future periods are charged against the profit/loss on disposal of player registrations in the period in which the disposal is recognised.

**2 Judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the director is 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.

**3 Turnover and other revenue**

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

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Turnover analysed by class of business</b>		
Gate receipts	3,151	3,258
Broadcasting	1,741	12,922
Corporate hospitality	614	295
Merchandise/licensing	656	1,062
Sponsorship/advertising	832	1,713
Other football income	1,266	3,802
Hotel	6,454	7,159
Education income	-	556
	<u>14,714</u>	<u>30,767</u>
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Other significant revenue</b>		
Interest income	<u>128</u>	<u>273</u>

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017**

<b>4</b>	<b>Exceptional costs/(income)</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
	Exceptional income	-	(406)
	Waiver of loan balance	(5,200)	-
	Profit on disposal of tangible fixed assets	(4,170)	-
		<u>(9,370)</u>	<u>(406)</u>

During the year Fildraw Limited waived £5,200,000 (2016: £170,304,517) of the loan balance and this amount has been credited to the profit and loss account.

In January 2017 the lease on the car park owned by Prescott Business Park Limited was forfeited. The car park was sold by the company in 2015 for £5.5m and leased back. The forfeiture of the lease has resulted in a profit on disposal of £4,342,783. The remaining loss on disposal of £172,475 relates to assets no longer used by the group.

In the prior year, the Group repaid the Natwest Bank loan and as a result of the redemption £405,878 has been credited to the profit and loss account as an exceptional item.

<b>5</b>	<b>Operating loss</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
	Operating loss for the year is stated after charging:		
	Exchange (gains)/losses	-	2
	Depreciation of owned tangible fixed assets	1,522	1,739
	Loss on disposal of tangible fixed assets	5	-
	Amortisation of intangible assets	389	1,352
	Cost of stocks recognised as an expense	6,369	7,334
	Operating lease charges	<u>150</u>	<u>480</u>

<b>6</b>	<b>Auditor's remuneration</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
	Fees payable to the company's auditor and associates:		
	<b>For audit services</b>		
	Audit of the financial statements of the group and company	10	10
	Audit of the financial statements of the company's subsidiaries	<u>34</u>	<u>33</u>
		<u>44</u>	<u>43</u>

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****7 Employees**

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

	<b>Group 2017 Number</b>	<b>2016 Number</b>	<b>Company 2017 Number</b>	<b>2016 Number</b>
Management & Administration	183	195	1	3
Football players	51	65	-	-
	<u>234</u>	<u>260</u>	<u>1</u>	<u>3</u>

Their aggregate remuneration comprised:

	<b>Group 2017 £'000</b>	<b>2016 £'000</b>	<b>Company 2017 £'000</b>	<b>2016 £'000</b>
Wages and salaries	12,222	18,367	72	708
Social security costs	1,482	2,082	14	75
Pension costs	81	168	1	46
	<u>13,785</u>	<u>20,617</u>	<u>87</u>	<u>829</u>

**8 Director's remuneration**

	<b>2017 £'000</b>	<b>2016 £'000</b>
Remuneration for qualifying services	<u>-</u>	<u>637</u>

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

	<b>2017 £'000</b>	<b>2016 £'000</b>
Remuneration for qualifying services	<u>-</u>	<u>238</u>

As total directors' remuneration was less than £200,000 in the current year, no disclosure is provided for that year.

**9 Interest receivable and similar income**

	<b>2017 £'000</b>	<b>2016 £'000</b>
Interest income		
Other interest income	<u>128</u>	<u>273</u>

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****10 Interest payable and similar expenses**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	1,712	694
Interest on finance leases and hire purchase contracts	-	7
	<u>1,712</u>	<u>701</u>

**11 Taxation**

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

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
(Loss)/profit before taxation	<u>(175)</u>	<u>163,930</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	(35)	32,786
Tax effect of expenses that are not deductible in determining taxable profit	(787)	(33,736)
Tax effect of income not taxable in determining taxable profit	-	(1,178)
Unutilised tax losses carried forward	191	1,134
Permanent capital allowances in excess of depreciation	631	1,004
Other permanent differences	-	(10)
	<u>-</u>	<u>-</u>
Taxation charge for the year	<u>-</u>	<u>-</u>

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****12 Intangible fixed assets**

<b>Group</b>	<b>Goodwill Player transfer and agent fees</b>		<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>			
At 1 July 2016	(4,149)	10,700	6,551
Disposals	-	(10,015)	(10,015)
	<u>(4,149)</u>	<u>685</u>	<u>(3,464)</u>
At 30 June 2017	(4,149)	685	(3,464)
<b>Amortisation and impairment</b>			
At 1 July 2016	(4,149)	9,303	5,154
Amortisation charged for the year	-	389	389
Disposals	-	(9,299)	(9,299)
	<u>(4,149)</u>	<u>393</u>	<u>(3,756)</u>
At 30 June 2017	(4,149)	393	(3,756)
<b>Carrying amount</b>			
At 30 June 2017	-	292	292
	<u>-</u>	<u>292</u>	<u>292</u>
At 30 June 2016	-	1,397	1,397
	<u>-</u>	<u>1,397</u>	<u>1,397</u>

The company had no intangible fixed assets at 30 June 2017 or 30 June 2016.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****13 Tangible fixed assets**

<b>Group</b>	<b>Stadium and Freehold Land academy</b>	<b>Hotel</b>	<b>Assets under construction</b>	<b>Plant and equipment</b>	<b>Fixtures and fittings</b>	<b>Computers</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>							
At 1 July 2016	40,559	8,905	27	5,380	4,142	239	60,056
Additions	-	-	-	58	16	-	74
Disposals	(1,765)	-	(27)	-	(47)	-	(1,839)
At 30 June 2017	38,794	8,905	-	5,438	4,111	239	58,291
<b>Depreciation and impairment</b>							
At 1 July 2016	13,505	519	-	2,757	3,600	130	20,511
Depreciation charged in the year	830	34	-	361	248	49	1,522
Eliminated in respect of disposals	(619)	-	-	-	(28)	-	(647)
At 30 June 2017	13,716	553	-	3,118	3,820	179	21,386
<b>Carrying amount</b>							
At 30 June 2017	25,078	8,352	-	2,320	291	60	36,905
At 30 June 2016	27,054	8,386	27	2,623	542	109	39,545

The company had no tangible fixed assets at 30 June 2017 or 30 June 2016.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****14 Fixed asset investments**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Other investments	-	14	-	-

**Movements in fixed asset investments  
Group**

	<b>Shares in group undertakings</b>	<b>Other</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>			
At 1 July 2016 and 30 June 2017	9,692	14	9,706
<b>Impairment</b>			
At 1 July 2016	9,692	-	9,692
Impairment losses	-	14	14
At 30 June 2017	9,692	14	9,706
<b>Carrying amount</b>			
At 30 June 2017	-	-	-
At 30 June 2016	-	14	14

**Movements in fixed asset investments  
Company**

	<b>Shares in group undertakings</b>
	<b>£'000</b>
<b>Cost or valuation</b>	
At 1 July 2016 and 30 June 2017	9,692
<b>Impairment</b>	
At 1 July 2016 and 30 June 2017	9,692
<b>Carrying amount</b>	
At 30 June 2017	-
At 30 June 2016	-

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****15 Subsidiaries**

Details of the company's subsidiaries at 30 June 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Bolton Wanderers Football & Athletic Company Limited	England and Wales	Professional football club	Ordinary	100.00	
Bolton Whites Hotel Limited	England and Wales	Accommodation, conference and leisure facilities	Ordinary	100.00	
Fronesis Learning Limited	England and Wales	Education	Ordinary	76.00	

The group also comprises two dormant companies, Bolton Sports Village Limited and Bolton Sporting Ventures Limited.

Fronesis Learning Limited was dissolved on the 27 February 2018.

**16 Financial instruments**

	Group 2017 £'000	2016 £'000	Company 2017 £'000	2016 £'000
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,800	4,334	60	1
Equity instruments measured at cost less impairment	-	14	-	-
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	34,271	40,534	10,764	15,520

**17 Stocks**

	Group 2017 £'000	2016 £'000	Company 2017 £'000	2016 £'000
Finished goods and goods for resale	231	391	-	-

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****18 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	2,983	3,181	2	1
Amounts owed by group undertakings	-	-	58	-
Other debtors	335	761	-	-
Prepayments and accrued income	1,784	2,341	27	205
	<u>5,102</u>	<u>6,283</u>	<u>87</u>	<u>206</u>
<b>Amounts falling due after more than one year:</b>				
Trade debtors	482	403	-	-
	<u>482</u>	<u>403</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>5,584</u>	<u>6,686</u>	<u>87</u>	<u>206</u>

**19 Creditors: amounts falling due within one year**

		<b>Group</b>		<b>Company</b>	
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts	21	12	-	-	-
Obligations under finance leases	22	10	14	-	-
Other borrowings	21	22,000	23,200	10,000	15,200
Trade creditors		4,778	2,200	43	35
Amounts due to group undertakings		-	-	168	155
Other taxation and social security		1,422	1,485	1	63
Deferred income	23	3,064	2,204	-	-
Other creditors		2,140	5,681	-	2
Accruals and deferred income		4,970	4,732	545	120
		<u>38,396</u>	<u>39,516</u>	<u>10,757</u>	<u>15,575</u>

Net obligations under hire purchase and finance leases are secured on the assets concerned.

Deferred income consists of season tickets, sponsorship and other monies which were received prior to the year-end but which were in respect of future periods. Also included in deferred income are grants and other contributions to the cost of the stadium of £264,167 (2016: £264,167).

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****20 Creditors: amounts falling due after more than one year**

		<b>Group</b>		<b>Company</b>	
	<b>Notes</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Obligations under finance leases	<b>22</b>	15	2	-	-
Other borrowings	<b>21</b>	8	4,008	8	8
Deferred income	<b>23</b>	4,949	5,133	-	-
Other creditors		-	3	-	-
Accruals and deferred income		338	694	-	-
		<u>5,310</u>	<u>9,840</u>	<u>8</u>	<u>8</u>

Net obligations under hire purchase and finance leases are secured on the assets concerned.

Deferred income consists of grants and other contributions to the cost of the stadium of £4,948,575 (2016: £5,133,382).

**21 Loans and overdrafts**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank overdrafts	12	-	-	-
Preference shares	8	8	8	8
Other loans	22,000	27,200	10,000	15,200
	<u>22,020</u>	<u>27,208</u>	<u>10,008</u>	<u>15,208</u>
Payable within one year	22,012	23,200	10,000	15,200
Payable after one year	8	4,008	8	8

## **BURNDEN LEISURE LIMITED**

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

#### ***FOR THE YEAR ENDED 30 JUNE 2017***

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#### **21 Loans and overdrafts**

The Group borrowings are secured by fixed and floating charges over all the assets of the Group.

Fildraw Limited and the Group entered into an amendment, waiver and restatement agreement that resulted in £5,200,000 being waived. This balance has been written off in the profit and loss account.

The residual facility of £10m remains due to Fildraw Limited. This sum is only payable should certain payments not be made as agreed following the change in ownership in March 2016.

Included within other loans less than one year is £4m (2016: £4m) owed to Sports Shield BWFC Limited. Interest is charged on this loan at 24% per annum and repayment of both capital and interest is due on 10 March 2018. The quantum and security of this loan balance is disputed as disclosed within the related party transaction note. Post year end this loan balance was settled with Sports Shield BWFC Limited and a revised agreement was signed with Blumarble Capital Limited, as disclosed in note 26, Events after the reporting date.

During 2015 the company borrowed £2.5m from B Warburton (a former director) and this amount remained outstanding at the balance sheet date. Interest is charged at 5% above base rate and the balance is secured over land. As at 30 June 2017 £145,000 (2016: £144,213) of interest has been debited to the profit and loss account. Repayment of this loan is dependent upon the sale of land. If sold pre 1 March 2018 the loan is repayable in full. If post 1 March 2018, £500k is repayable on 1 March 2018 and the remainder is repayable on the sale of the land. This amount has not been demanded and dialogue is ongoing regarding extension of the facility.

Bank loans are repayable on demand or within one year. The company has granted a fixed and floating charge on its assets to secure bank loans and other loans of £5,500,000 (2016: £5,500,000).

The loan owed to Prescott Business Park Limited incurs interest at 7% per annum and was due to be repaid on 29 January 2017. This loan has not yet been repaid but the amount has not been demanded and dialogue is ongoing regarding extension of the facility.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****21 Loans and overdrafts****Preference shares**

The holders of the Convertible Preference shares are entitled to receive, in respect of each accounting period, a fixed cumulative preferential interest at the rate of 7p (net) per share per annum.

The holders of the Convertible Preference Shares were entitled to convert all or any of the shares into Ordinary Shares of 0.1p each on 15 May and 15 November each year, up to and including 15 November 2005, at the rate of 100 Ordinary Shares for every 23 Convertible Preference Shares held. Holders of such shares were also entitled to have them redeemed by the company on 16 November 2005. As at that date the company did not have sufficient reserves to redeem the Convertible Preference Shares. The Convertible Preference Shares will be carried forward until they are redeemed by the company and will attract interest at a rate of 7p (net) per share per annum. The holders of the Convertible Preference Shares have no right (in that capacity) to attend, speak or vote at any General Meeting of the company except in particular circumstances, for example when dividends have not been paid when due, or it is proposed that the rights of the Convertible Preference Shares will be modified.

Once all but 500,000 or fewer of the Convertible Preference Shares have been converted or redeemed the company will be entitled to require the balance of the shareholders to convert their holding or accept redemption.

The holders of the Convertible Preference Shares may at any time after 17 September 2000 require the company to redeem all or any of their shares at a price of 100p per share plus all accruals or dividends thereon. No additional premium will arise on redemption.

On 17 January 2014, 1,899,188 Cumulative Convertible Preference Shares were converted into 8,257,340 ordinary shares and 18,166,146 1p deferred shares. 8,302 Cumulative Convertible Preference Shares remain in issue.

On a winding up of the Company the assets available for distribution among the members will be applied first in paying the holders of the Convertible Preference Shares an amount equal to the subscription price paid plus any arrears of dividends.

**22 Finance lease obligations**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Future minimum lease payments due under finance leases:				
Within one year	10	14	-	-
In two to five years	15	2	-	-
	<u>25</u>	<u>16</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is three years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****23 Government grants**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Arising from government grants	4,949	5,397	-	-
Other deferred income	3,064	1,940	-	-
	<u>8,013</u>	<u>7,337</u>	<u>-</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

Current liabilities	3,064	2,204	-	-
Non-current liabilities	4,949	5,133	-	-
	<u>8,013</u>	<u>7,337</u>	<u>-</u>	<u>-</u>

Deferred income arising from government grants are grants and other contributions to the cost of the stadium.

Other deferred income consists of season tickets, sponsorship and other monies which were received prior to the year end but which were in respect of future periods.

**24 Retirement benefit schemes**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>81</u>	<u>168</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.

Certain staff of the company are members of the Football League Limited Pension and Life Assurance Scheme ("FLLPLAS"), A defined benefit scheme. As the company is one of a number of participating employers in the FLLPLAS, the scheme actuary has indicated it would be impractical to allocate any actuaries surplus or deficit. The company has therefore adopted the multi-employer scheme exemption and expensed contributions in the profit and loss account as they become payable. The assets of the schemes are held separately from those of the company, being invested with insurance companies.

Following a review of the Minimum Funding Requirement ("MFR") of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985 participating employers will be required to contribute to the deficiency. The Club was advised by the FA Premier League that a basis of apportionment of the deficit had been approved by the trustees and their advisors, although a number of important issues remain to be resolved that could impact on the final quantification of this liability. As a notional apportionment of the deficit has been calculated, the company has reflected that amount on the balance sheet. However in the absence of a full actuarial apportionment of the scheme's assets and liabilities the exemption afforded by FRS102 continues to be taken. The deficit of £149,832 (2015: £199,812) is included in accruals falling due in more than one year.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****25 Share capital**

	<b>Group and company</b>	
	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,448,723,570 Ordinary shares of 0.1p each	2,448	2,448
138,242,782 'A' Deferred shares of 5p each	6,912	6,912
194,466,230 'B' Deferred shares of 4.9p each	9,333	9,333
166,667 Deferred shares of 10p each	17	17
18,166,146 Deferred shares of 1p each	182	182
	<u>18,892</u>	<u>18,892</u>

7p (net) Cumulative Convertible Redeemable Preference Shares of 10p each

There are 8,302 (2016: 8,302) of 7p (net) Cumulative Convertible Redeemable Preference Shares of 10p each, classified in creditors: amounts falling due after more than one year.

10p Deferred shares, 'A' Deferred Shares and 'B' Deferred Shares

None of the holders of 10p Deferred shares, 'A' Deferred shares or 'B' Deferred shares has the right to receive notice of any General Meeting of the company nor the right to attend, speak or vote at any such General Meeting.

The holders of 10p Deferred shares, 'A' Deferred shares and 'B' Deferred shares are not entitled to receive any dividend or distribution, except in the case of the winding up of the company when they will rank in the order of 10p Deferred shares, 'A' Deferred shares and 'B' Deferred shares after the Convertible Preference Shares and the amount paid up on the Ordinary shares, and then only to the extent of the nominal amount of the 10p Deferred shares, 'A' Deferred shares and 'B' Deferred shares.

1p Deferred shares

The holders of 1p Deferred shares have full voting rights at any General Meeting of the company. The holders of the 1p Deferred shares are entitled to full dividend and other distribution rights. The shares do not confer any rights of redemption.

**26 Operating lease commitments****Lessee**

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

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Within one year	300,000	300,000	-	-
Between two and five years	900,000	1,200,000	-	-
	<u>1,200,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>

## **BURNDEN LEISURE LIMITED**

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

#### ***FOR THE YEAR ENDED 30 JUNE 2017***

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#### **27 Events after the reporting date**

On 21 August 2017 Sports Shield BWFC Limited went into liquidation. On 8 September 2017, following the liquidation and in light of the dispute surrounding the amount of the facility provided by Sports Shield BWFC Limited, the Group and Sports Shield BWFC Limited agreed to settle the amounts owed.

Subsequently on the same day, the Group entered into a Deed of Settlement with Blumarble Capital Limited that states that the company is due to pay £4m, plus £300k interest, by no later than 1st September 2018. Interest is charged on this loan at 10% per annum on a daily basis from the date of the Deed of Settlement. A further £700k will become due should Bolton Wanderers Football Club be promoted from the English Football League Championship to the English Premier League before the commencement of the 2020/21 English Football League Championship season and payable on 1st July in the year of such promotion.

Additionally on the 8th September 2017, Inner Circle Investments Limited purchased 1,157,479,670 Ordinary shares of £0.001 each held in Burnden Leisure Limited from the Liquidators of Sports Shield BWFC Limited, resulting in Inner Circle Investments Limited owning 95% of the total share capital of the Group.

#### **28 Related party transactions**

##### **Transactions with related parties**

During the year the Group provided for loan balances totalling £Nil (2016: £255,113) owed by Fronesis Learning Limited. These balances have been written off to the profit and loss account.

During the year Bolton Wanderers Development Association (Chorley) Limited donated £128,379 (2016: £271,819) to Bolton Wanderers Football & Athletic Company Limited as contribution to the cost of projects completed by the company. At the balance sheet date the company was owed £432,503 (2016: £384,774) by Bolton Wanderers Development Association (Chorley) Limited.

As disclosed in the prior year, the Group received £4m from Sports Shield BWFC Limited. As a condition of Blumarble Capital Limited making the loan to Sports Shield BWFC Limited, there was a guarantee in place for £5m over the assets of the Burnden Leisure Group. The validity of this guarantee was disputed. Consequently the accounts for the Group show indebtedness to Sports Shield BWFC Limited of £4m whilst the facility agreement refers to a loan of £5m. This loan incurred interest at 24% pa compound and during the year interest totalling £998,983 (2016: £329,729) has been debited to the profit and loss account. Post year end the total interest has been waived and will result in a credit to the profit and loss account in the 2018 accounts.

The facility repayment date between the Group and Sports Shield BWFC Limited is March 2018, whereas the date by which Sports Shield BWFC Limited should have repaid the balance to Blumarble Capital Limited has passed. As a consequence of this, Blumarble Capital Limited could have had an option to exercise its security, however post year end an agreement was reached with Blumarble Capital Limited and the Group, as disclosed in note 27.

In May 2016, as part of a settlement of a dispute to resolve certain issues, the Group paid £250,000 to Sports Shield BWFC Limited in relation to charges incurred by them in effecting the change of ownership.

**BURNDEN LEISURE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2017****29 Directors' transactions**

As disclosed in note 21, during 2015 the Group borrowed £2.5m from B Warburton (a former director) and this amount remained outstanding at the balance sheet date. Interest is charged at 5% above base rate and the balance is secured over land. As at 30 June 2017 £145,000 (2016: £144,213) of interest has been debited to the profit and loss account. Repayment of this loan is dependent upon the sale of land. If sold pre 1 March 2018 the loan is repayable in full. If post 1 March 2018, £500k is repayable on 1 March 2018 and the remainder is repayable on the sale of the land. This amount has not been demanded and dialogue is ongoing regarding the extension of the facility.

In March 2017, the Group resolved a dispute surrounding the termination of the employment contract for D Holdsworth, a former director and shareholder of the Group by way of his interest in Sports Shield BWFC Limited. D Holdsworth received £50,000 plus legal fees.

During the year the Group paid £125,000 (2016: £nil) to Athos Group in respect of consultancy services. Athos Group is owned by a family member of K Anderson.

During the year K Anderson, via Inner Circle Sports & Media received £525,000 (2016: £nil) in consultancy fees.

During the prior year the Group provided for a compensation agreement relating to R Gee's resignation totalling £104,470. This amount has been paid during the year.

**30 Cash generated from group operations**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
(Loss)/profit for the year after tax	(175)	163,930
Adjustments for:		
Finance costs	1,712	701
Investment income	(128)	(273)
Loss on disposal of tangible fixed assets	5	-
Exceptional items	(14,934)	(172,441)
Amortisation and impairment of intangible assets	389	1,352
Depreciation and impairment of tangible fixed assets	1,522	1,739
Amounts written off investments	14	-
Movements in working capital:		
Decrease in stocks	160	137
Decrease/(increase) in debtors	1,102	(311)
Increase/(decrease) in creditors	4,910	(2,058)
Increase/(decrease) in deferred income	676	(1,457)
<b>Cash absorbed by operations</b>	<b>(4,747)</b>	<b>(8,681)</b>