

**Registered Number 02395863**

**NEWPORT ASSOCIATION FOOTBALL CLUB LIMITED**

**Abbreviated Accounts**

**30 June 2014**

## Abbreviated Balance Sheet as at 30 June 2014

	<i>Notes</i>	<i>2014</i>	<i>2013</i>
		£	£
<b>Fixed assets</b>			
Intangible assets	2	21,679	50,513
Tangible assets	3	429,540	46,413
		<u>451,219</u>	<u>96,926</u>
<b>Current assets</b>			
Stocks		30,372	20,000
Debtors		192,461	212,401
Cash at bank and in hand		2,095	2,540
		<u>224,928</u>	<u>234,941</u>
<b>Creditors: amounts falling due within one year</b>	4	(654,975)	(586,326)
<b>Net current assets (liabilities)</b>		<u>(430,047)</u>	<u>(351,385)</u>
<b>Total assets less current liabilities</b>		<u>21,172</u>	<u>(254,459)</u>
<b>Creditors: amounts falling due after more than one year</b>	4	(498,700)	(389,000)
<b>Accruals and deferred income</b>		(4,641)	(6,959)
<b>Total net assets (liabilities)</b>		<u>(482,169)</u>	<u>(650,418)</u>
<b>Capital and reserves</b>			
Called up share capital	5	1,694,320	957,400
Profit and loss account		(2,176,489)	(1,607,818)
<b>Shareholders' funds</b>		<u>(482,169)</u>	<u>(650,418)</u>

- For the year ending 30 June 2014 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 1 June 2015

And signed on their behalf by:

**Mr L Scadding, Director**

**Notes to the Abbreviated Accounts for the period ended 30 June 2014****1 Accounting Policies****Basis of measurement and preparation of accounts****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The primary focus of the company during the previous financial year was to achieve promotion to the Football League, which was successfully achieved. A heavy investment has been made in increasing playing resources during the year, which has resulted in a loss of £568,671 and net liabilities of £482,169 at the balance sheet date. The directors have therefore had to consider the appropriateness of preparing the accounts on the going concern basis.

The directors have prepared financial forecasts for the next twelve months and have satisfied themselves that the company will be able to meet the debt repayment terms as well as meeting daily cashflow requirements and operational liabilities as they fall due. The directors have also confirmed that they will continue to support the company and provide financial assistance as necessary, and will only seek repayment of their loans to the company when sufficient funds are available.

On the basis of the above, the directors consider it appropriate to prepare the accounts on a going concern basis.

**Turnover policy****Turnover**

The turnover shown in the profit and loss account is derived from ordinary activities and represents the value of sales, donations and fees receivable in the financial year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

**Tangible assets depreciation policy****Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvement - 10% on cost  
Plant & Machinery - 10% - 20% on cost

### **Intangible assets amortisation policy**

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Player acquisition costs/website development costs - 50% on cost

### **Other accounting policies**

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Player acquisition costs

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets. Costs of players' registrations are comprised of transfer fees, transfer levies and agents' fees.

These costs are fully amortised in equal instalments over the period of the players' individual contracts. Where a player's contract is extended beyond its initial period, amortisation is calculated over the period of the extended contract from the date on which it is signed. Players' registrations are written down for impairment when the carrying amount is assessed as exceeding the amount recoverable through use or sale.

The profit or loss on disposal of a player's registration is calculated as the difference between the transfer fee recovered/receivable less the net book value at the date of sales and less any direct costs of the transfer. Receipts of transfer fees based on the future performance of the transferred player or the buying club are recognised when the future criteria are met. Similarly, payments of transfer fees based on future performance criteria are recognised when the criteria are assessed as being probable that they will be met.

#### Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

#### Post balance sheet events

On 1 July 2014 £250,000 of the monies due to the director Mr L Scadding were converted into 25,000 ordinary £10 shares.

## 2 Intangible fixed assets

	£
<b>Cost</b>	
At 1 July 2013	63,360
Additions	7,441
Disposals	(9,860)
Revaluations	-
Transfers	-
At 30 June 2014	<u>60,941</u>
<b>Amortisation</b>	
At 1 July 2013	12,847
Charge for the year	35,400
On disposals	(8,985)
At 30 June 2014	<u>39,262</u>
<b>Net book values</b>	
At 30 June 2014	<u><u>21,679</u></u>
At 30 June 2013	<u><u>50,513</u></u>

## 3 Tangible fixed assets

	£
<b>Cost</b>	
At 1 July 2013	171,745

Additions	452,642
Disposals	(118,826)
Revaluations	-
Transfers	-
At 30 June 2014	<u>505,561</u>
<b>Depreciation</b>	
At 1 July 2013	125,332
Charge for the year	60,122
On disposals	<u>(109,433)</u>
At 30 June 2014	<u>76,021</u>
<b>Net book values</b>	
At 30 June 2014	<u>429,540</u>
At 30 June 2013	<u>46,413</u>

**4 Creditors**

	<i>2014</i>	<i>2013</i>
	<i>£</i>	<i>£</i>
Secured Debts	43,068	16,096

**5 Called Up Share Capital**

Allotted, called up and fully paid:

	<i>2014</i>	<i>2013</i>
	<i>£</i>	<i>£</i>
169,432 Ordinary shares of £10 each (95,740 shares for 2013)	1,694,320	957,400

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