

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022**

FOR

**SHEFFIELD WEDNESDAY FOOTBALL CLUB
LIMITED**

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FOR THE YEAR ENDED 31 JULY 2022**

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**SHEFFIELD WEDNESDAY FOOTBALL CLUB
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2022**

DIRECTOR: D Chansiri

REGISTERED OFFICE: Hillsborough
Sheffield
S6 1SW

REGISTERED NUMBER: 02509978 (England and Wales)

AUDITORS: Sedulo Audit Limited
Statutory Auditors
605 Albert House
256-260 Old Street
London
EC1V 9DD

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The director presents his strategic report for the year ended 31 July 2022.

REVIEW OF BUSINESS

The company uses a number of key performance indicators to measure its performance. Turnover increased by £4.7m to £16.3m (£11.6m 2021) primarily due to the return of spectators from the start of the season following the removal of Covid-19 restrictions and in addition our first home game of the 22/23 season also being played within the financial year. Average league attendance for the 22/23 season was 22,469 as compared with 23,752 for the 18 League games held prior to lockdown in the 19/20 season a reduction of 5%. The team finished 4th in the Football League 1 division and lost in the Play Off Semi-Finals (24th in the Football League Championship).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the company is the performance and divisional status of the Club's first team. The impact of the Covid-19 pandemic had a significant impact on the Club's finances and in view of these risks and issues the company remains dependant on the continued financial support from its shareholder.

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

SECTION 172(1) STATEMENT

Section 172 (1) of the Companies Act 2006 requires the directors of a company to act in the way they each consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to matters including:

- a) The likely consequences of any decision in the long term,
- b) The interests of the company's employees
- c) The need to foster the company's business relationships with suppliers, customers and others.
- d) The impact of the company's operations on the community and environment,
- e) The desirability of the company to maintain a reputation for high standards of business conduct, and
- f) The need to act fairly between the members of the company.

With respect to this the Board sets the direction of the Club with specific focus on;

- 1- Maximising of non-matchday revenues and the growth of the Club's commercial income.
- 2- Greater use of the Stadium, in conjunction with the Sheffield Wednesday Football Club Community Programme and the population in the local community. Increased usage of the stadium for non-matchday events such as the annual WAWAW Fun Day, hosting events, artists and concerts.
- 3- Working alongside Sheffield Wednesday Football Club Community Programme using the power of football to promote education, participation, health and wellbeing for all members of the community in Sheffield.
- 4-Continuing to enhance supporter and stakeholder relationships with the SWFC Supporters Engagement Panel. This comprises long-term Club supporters' groups and individual fans of all demographics. The panel meets with the Club senior executives and board on a frequent basis to discuss pertinent matters at Hillsborough Stadium, covering the matchday experience and matters relating to the Club. SWFC will continue to develop the matchday Fan Zone introduced in July 2022 and work to improve on the Family area located in the Grandstand.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

SOCIAL RESPONSIBILITIES

Charity Policy

The club continued to support various charity and community organisations throughout the year, believing it is important to use the power of the SWFC brand to give these worthwhile charities the opportunities to raise funds at the football club. The club, through the community programme offered match tickets, signed memorabilia and player appearances throughout the season and supported the following beneficiaries in our community, amongst others:

Bluebell Wood Children's Hospice
The Children's Hospital Charity, Sheffield
Weston Park Hospital Cancer Charity
St Luke's Hospice
S6 Foodbank
Royal Society for the Blind
Hallam FM Cash for Kids
Roundabout
Cathedral Archers Project
Sense
Sheffield Mencap
Create a Dream Foundation
Yorkshire Ambulance Service
Saffron
AGE UK
Community Grocery Foundation
PACT

Community Involvement:

The number of young people and families we reach is over 100,000 and the range of activities provided has also expanded, creating one of the most wide-ranging community programmes not only in football, but throughout Health, Youth & Integration, Participation, and Education.

Partnerships have increased due to the success of the programmes we deliver across Sheffield including working with key local partners, Sheffield College, local primary & secondary schools, South Yorkshire Violence Reduction Unit, South Yorkshire Police and Crime Commissioning, SOAR, ZEST, Primary Care Trusts, Sheffield City Council (SCC), Manor & Castle Development Trust and various others. In addition, we have national partners such as Premier League Charitable Fund, English Football League Trust, Youth Endowment Fund, Department for Education, NHS and UK Youth.

Community Programme:

The Sheffield Wednesday Football Club Community Programme (SWFCCP) is the SWFC's charitable arm, established to support the development of cohesive communities around South Yorkshire and increase engagement, training provision, employability opportunities and support amongst its residents working across four EFL key themes:

- Participation
- Youth & Integration
- Health
- Education
- NCS

We endeavour to encourage confidence, active lifestyles, and participation in sport & education regardless of age, gender, ethnicity, and disability.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

SWFCCP enjoys major success in connecting the local community with SWFC and is widely recognised as an exciting market leader. We operate under five key aims and objectives:

- Raising educational achievement
- Creating pathways to employment
- Building healthier lifestyles
- Bringing communities together
- Reducing crime & anti-social behaviour

Partnerships are the key to the programme creating sustainability, with associates on board from SWFC, Sheffield College, NCFE, Skills Funding Agency (SFA), SCC, NCS Trust, EFL and Premier League (PL).

Education Programme:

Based on the academic year 2021/2022

- Alternative Provision (AP) programme - Primary AP - 7 learners Secondary AP- 16 learners
- NCFE Level 2 Certificate/ Diploma in Sport
32 enrolled, 28 retained.
100% pass rate for Level 2 certificate
- BTEC Level 3
96 enrolled, 94 retained.
98% pass rate
- Foundation Degree in community football coaching and development
26 enrolled, 24 retained.
95% Pass rate
- Employability - AEB Course
95 students engaged.
88% achievement
53 students achieved a regulated qualification.
- Kickstart
18 enrolled on programme
95% gained part-time/full-time employment.
- Traineeships
19+ - 12 enrolled, 10 passed.

SWFCCP provides local people with routes into various education, employment and training opportunities which are individually tailored to suit their learning needs. The programmes delivered by the charity aim to improve the motivation, confidence, and self-esteem of people on the courses and help to create life-changing opportunities as they are supported in improving their employability prospects.

We work in partnership with the SCC our local authority on our Alternative Provision programmes. This programme is for learners who are disengaged with mainstream education, for one reason or another. The wide range of disengaging factors span from learning difficulties to behavioural issues, all learners have the ambition of reintegrating into education. We offer vocational qualifications plus additional numeracy and literacy skills whilst using the power of sport to try and re-engage these young people back in to mainstream education. Pathways are in place for students to attend post 16 provision at SWFCCP at the end of year 11.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Our post 16 Education Provision delivers Study Programmes that include NCFE Level 2 in Sport (Coaching Pathway), BTEC Level 3 Nationals Extended Diploma in Sport Coaching and Development. Learners are taught by fully qualified teachers from the Community Programme and re-sit GCSE English and Maths if they have not achieved a GCSE grade 4 (or above). All students have an enrichment timetable that includes training and participating in an 11 a side football programme, representing the college in the EFL Community Alliance league or Sheffield and Hallamshire Flexi-League. Learners successfully undertook additional coaching qualifications boosting their employability prospects and contributing to learner satisfaction.

All learners take part in work placements with the aim to improve their CV and give them vital work experience in preparation for Higher Education and employment. All learners have clear pathways through the courses, with progression to Higher Education provision.

In Partnership with the EFL Trust and the University of South Wales, we offer a Foundation Degree in Community Football Coaching and Development with a top up to a BSc (Hons) Football Coaching Development and Administration degree. We have a 100% success rate of employment for students that have completed the full BSc (Hons) degree.

In partnership with the FACES team at Sheffield City Council we deliver adult education programmes. The programme is designed to upskill learners to make them more employable. Learners studied various vocational qualifications such as Level 1 in Customer Service, Level 1 in Mental Health Awareness, Level 1 Health and Safety, Level 2 Food Safety, Level 2 NVQ Spectator Safety, and digital skills for pre-employability. Alongside vocational qualifications, the employability team also deliver traineeship programmes in partnership with Barnsley College which will focus on further core areas such as work preparation training including CV writing and interview preparation, functional skills in English and Maths up to level 2 and a work placement for 12 weeks.

National Citizen Scheme:

Numbers and targets

140 Young people have completed NCS Programmes over the last year. Turn up against numbers recruited has been strong with a low rate of attrition.

Partnership Schools

We deliver in the following designated schools and colleges:

- Chaucer School
- Ecclesfield School
- Hillsborough College
- Stocksbridge High School
- Tapton School
- Sheffield Girls High School
- Bradfield School
- Forge Valley
- Kind Edwards VII Comprehensive
- Parkwood E-Act Academy
- Yewlands
- Bethany School
- SWFCCP Education

Successes

We are the second-largest delivery partner in Sheffield, leading the way with our Changemakers delivery in the region and paving the way as a 'go to' provider within South Yorkshire across the NCS network.

Within the last 12 months our NCS graduates have delivered over 3200 hours of Social Action in the local community, supporting a range of local charities.

The contract which was held by the EFL Trust, has since been lost to another provider within the UK.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

Participation:

Mini Owls:

The Mini Owls session takes place at SWFC Training Ground. These are fun-based learning programmes for three- to twelve-year-olds to encourage all aspects of balance and co-ordination, with both mental and physical development. Over 100 children per week attend each session.

Holiday Programmes:

Soccer Camps are delivered at a wide range of venues across Sheffield. SWFCCP Holiday Programmes are run by FA qualified community coaches and is a fantastic way for children to spend the school holidays.

SWFCCP were successful in delivering various camps throughout Sheffield, as part of the Holiday Activities & Food programme (HAF), engaging over 300 young people in multi-sports activity and providing healthy meals for children on free school meals over the summer holidays.

Development Centres:

This is one of SWFCCP most high-profile schemes. We run several development centres, which include an Advanced Training Syllabus where sessions are planned in partnership with the SWFC Academy. This gives the chance for participants to potentially progress academy which in turn could lead to a professional career in football. SWFCCP partner with Sheffield City Trust to deliver a development centre session every day of the week, engaging over 200 children.

School Programmes - Curriculum Coaching/Breakfast Clubs/Lunch Clubs/After School Provision:

SWFCCP delivers provision in over 30 primary schools. Though predominantly football-based, the sessions also offer dance, gymnastics and basketball training and are run by qualified community coaches. The sessions encourage extra curriculum participation with an emphasis on children's agility, balance, and co-ordination, in addition to their social interaction and well-being.

Youth & Integration:

SWFCCP's newly branded Youth & Integration department is comprised of several strands of work which have developed in size and reach across the reporting period. This includes the youth work diversionary activity, targeted anti-violence mentoring, women, and girls' provision, targeting of BAME women's fitness activities, youth peer research, COVID-19 response, and prison education programmes.

The community programme has partnered with Premier League Charitable Fund (PLCF), South Yorkshire Violence Reduction Unit (SYVRU), South Yorkshire Community Foundation (SYCF), SCC, Police and Crime Commissioner (SYPC), Sport England, Youth Endowment Fund (YEF), UK Youth, I Will and Twinning Project. Development into strengthening these partnerships have led to an increase in SWFCCP's reputation locally and nationally.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The Youth & Integration team engaged with over 2000 young people during the year, between the ages of 8 -18. The purpose of the Premier League Kicks (PL Kicks) initiative through SWFCCP, is to provide safe activities for young people in Sheffield. Our overall aims are to reduce the rates of anti-social behaviour, promote community cohesion, educate young people, and raise aspirations. By engaging young people in constructive activities, including a wide variety of sports, coaching, music, and educational and personal development sessions. Across the year, match funding was sourced to increase the capacity and reach of the project, which included funding from SYVRU, Sheffield Council Safer Communities Partnership, Sheffield Council Community Fund, and I Will Fund. Also, COVID-19 funding was secured through the COVID response grant to engage all PL Kicks participants around the Covid-19 safety measures that were in place and support the uptake of vaccinations and encourage safer Covid-19 practices.

The Youth & Integration department has seen developments in its youth violence mentoring programme funded by the Premier League Charitable Fund (PLCF), providing one-to-one and group mentoring for young people at risk of violence and criminal exploitation. Referral pathways through SCC, schools and social care led to further investment from SYVRU, allowing for an increase in capacity to support more young people. The projects capacity was then doubled through funding provided by SYPCC's Proceeds of Crime Fund, which increased our engagement figure to 40 young people.

Within this period the inclusion department received investment from Sport England This Girl Can, which led to a programme situated in the Fir Vale community, working in partnership with Fir Vale Community Hub. Across the week, 4 activity sessions were provided for over 100 BAMER women. Furthermore, female engagement through the PL Kicks Project increased to 220 young people, as well as engagement through our girl's development centre offering a structured training pathway for young girls who wanted to develop in football and healthy lifestyles.

In July 2021 the Youth & Integration department prepared to launch their partnership with English Football League Trust (ELFT) and YEF to deliver the Peer Action Collective project. The project is nationally recognised and aims to recruit 6 peer researchers who will engage in a youth research project around youth violence and empower other young people to create change.

Disability Programme

The Disability Programme aims to improve the quality of life for disabled people by developing the physical fitness of both male and female participants from all age categories. With Sheffield and Hallamshire County FA as one of our key partners, we increase participation in all areas of our programme and push to develop players to a competitive standard which will create more opportunities for elite performers to excel.

Through Every Player Counts Programme, SWFCCP have engaged with over 200 children, young people, and adults with SEND. Delivering a variety of sessions within schools, college and community settings, engaging participants in inclusive physical activity. Focus is on providing open-access provision that is accessible to all, to support people to stay active, meet new people and develop a passion for sport and physical activity.

Further to this, SWFCCP continues to help people break down barriers by offering volunteer opportunities and qualifications. Opportunities are provided to develop leadership and coaching experiences to create positive role models for the programme.

Health & Wellbeing:

SWFCCP Health department's flagship project in the EFL Trust Fit Owls programme, which is funded by EFLT and Wembley National Stadium trust and is a 12-week community-based intervention offering sustainable healthy lifestyle advice and tips to help people aged 35-65 years old to reduce weight. The team engaged with over 100 people through the scheme and provided exit pathways into other SWFCCP provision. The Community Programme also partnered with ZEST to provide increased provision for people on waiting lists.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The health team partnered with various statutory services to gain referrals from people who require the service the most due to clinical issues. The experienced and skilled team provided tailored weight management programmes for participants to support their to lose weight and live healthier lifestyle.

Using Hillsborough Stadium as a setting for the weight management and health improvement, the programmes use men's and women's loyalty to their football team to encourage them to get active. Participants are 'trained' by club community health coaches for 10 or 12 weeks at their team's home stadium. They receive a programme, grounded in current science, of how to eat more healthily and become more active.

Across 2021 - 2022 we have engaged with over 80 people through the programme and throughout the course participants focussed on different topic titles in each session to educate you and help understand the fundamentals of these topics. In turn this understanding will benefit them when it came to the physical/exercise part of the programme.

Additionally, the health department delivered on the SWFCCP Fit Club and walking football. Both areas are a great exit pathway for individuals who want to sustain activity with the programme and want to continue their health journey. SWFCCP has a full timetable of activities that people can attend for a monthly fee.

ON BEHALF OF THE BOARD:

D Chansiri - Director

31 July 2023

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 JULY 2022**

The director presents his report with the financial statements of the company for the year ended 31 July 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the operation of a professional football club together with the related associated activities.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 JULY 2022**

DIRECTOR

D Chansiri held office during the whole of the period from 1 August 2021 to the date of this report.

ENERGY AND CARBON REPORTING

The Club employed a consultant to carry out an energy assessment in May 2019 which gave recommendations as to how it could reduce its annual energy consumption.

A number of recommendations were identified, and the Club is working on implementing these over the next couple of years and has to date started on an ongoing rolling programme of replacing lighting with LED lamps and sensor lights in the Club Offices, Hospitality suites and all four stands.

A new more fuel-efficient undersoil gas heating boiler was installed during Autumn 2021 and we also monitor the temperature at which the under soil pitch is turned on to reduce gas consumption.

Stadium pitch irrigation requirements are measured by electronic moisture probes and the watering is controlled by computer with moisture readings taken daily.

A rolling programme of replacing taps to automatically cut off in the toilets around the stadium has continued. Installed plumbed in water taps to reduce single use plastics and we are currently looking into replacing plastic pint glasses with a biodegradable alternative.

New LED floodlights were installed in July 2022 in time for the start of the 2022-23 season which will reduce electricity consumption of the floodlights by approximately 80% and provide a brighter view of matches when floodlights are in use. Matchday radios are all turned off between matches and are only charged up when needed.

Kiosks on the concourses are powered down between matches, including till systems and refrigeration. Beer lines are cleaned and put on air to save water consumption as this means we do not need to rinse the beer lines twice which also helps save on waste. Waste cooking Oil is collected for recycling.

The Club is replacing older equipment with new energy efficient equipment to reduce power use which is being carried out in phases. An annual electric equipment disposal programme is undertaken to achieve efficient recycling. All waste disposal is separately sorted for the ease of recycling glass, plastic glasses and bottles, paper and cardboard, food waste and general waste.

An electronic vehicle charging point has been installed at the training ground.

UK Energy Use 2022 2021

Kwh CO2e (tonnes) Kwh CO2e (tonnes)

Electricity 1,811,863 0 1,614,000 0

Gas 1,694,246 309 1,599,000 293

Transport 8 17

Total 317 310

The Club uses a Carbon neutral electricity supplier.

Intensity ratio

Emissions per average number of monthly employees 1.23 CO2e (tonnes) (2021: - 1.26)

The figures for this year are higher than 2020-2021 due to that season being played behind closed doors, the majority of employees were working from home or furloughed, and the Club was required to use 2 coaches for away travel due to Covid.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 JULY 2022**

The Club has followed the 2019 HM Government Environment Reporting Guidelines. In addition, the Club has used the GHG Reporting Protocol - corporate Standard and have used the 2019 & 2020 UK Government's Conversion Factors for company Reporting. Copies of the conversion factors used are provided in the "UK Gov Carbon Conversion Factors." UK Government carbon conversion factors for reporting spreadsheets available at:
<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020>.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditor, Sedulo Audit Limited was appointed after the year end following the retirement of our previous auditor BHP and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

D Chansiri - Director

31 July 2023

Opinion

We have audited the financial statements of Sheffield Wednesday Football Club Limited (the 'company') for the year ended 31 July 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to note 2 in the financial statements, which indicates that at 31 July 2022 the company's total liabilities exceeded its total assets by £65,539,000. As stated in note 2, these events or conditions, along with other matters set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page eleven, 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 director determines 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 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 intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was capable of detecting irregularities, including fraud

The primary responsibility for the prevention and detection of fraud rests with directors and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the business and sector, enquiries of directors and management, and review of regulatory information and correspondence. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with directors and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements. Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relationships that may indicate fraud, and procedures to address the risk of fraud through director or management override of controls.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Diccon Thornely (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited
Statutory Auditors
605 Albert House
256-260 Old Street
London
EC1V 9DD

31 July 2023

**SHEFFIELD WEDNESDAY FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 02509978)**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

		2022 £'000	2021 £'000
	Notes		
TURNOVER	3	16,359	11,644
Cost of sales		<u>20,832</u>	<u>30,360</u>
GROSS LOSS		(4,473)	(18,716)
Administrative expenses		<u>2,864</u> (7,337)	<u>7,553</u> (26,269)
Other operating income		<u>980</u>	<u>1,326</u>
OPERATING LOSS	5	(6,357)	(24,943)
Interest receivable and similar income		<u>3</u> (6,354)	<u>1</u> (24,942)
Interest payable and similar expenses	6	<u>994</u> (7,348)	<u>838</u> (25,780)
LOSS BEFORE TAXATION			
Tax on loss	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(7,348)</u>	<u>(25,780)</u>

The notes form part of these financial statements

**SHEFFIELD WEDNESDAY FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 02509978)**

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	2022 £'000	2021 £'000
LOSS FOR THE YEAR		(7,348)	(25,780)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(7,348)</u>	<u>(25,780)</u>

The notes form part of these financial statements

**SHEFFIELD WEDNESDAY FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: 02509978)**

**BALANCE SHEET
31 JULY 2022**

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Intangible assets	8		437		919
Tangible assets	9		<u>2,384</u>		<u>2,893</u>
			2,821		3,812
CURRENT ASSETS					
Stocks	10	508		515	
Debtors	11	17,198		31,319	
Cash at bank		<u>884</u>		<u>503</u>	
		18,590		32,337	
CREDITORS					
Amounts falling due within one year	12	<u>24,663</u>		<u>33,708</u>	
NET CURRENT LIABILITIES			<u>(6,073)</u>		<u>(1,371)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(3,252)</u>		<u>2,441</u>
CREDITORS					
Amounts falling due after more than one year	13		<u>62,287</u>		<u>60,632</u>
NET LIABILITIES			<u>(65,539)</u>		<u>(58,191)</u>
CAPITAL AND RESERVES					
Called up share capital	16		46,500		46,500
Share premium	17		19,706		19,706
Retained earnings	17		<u>(131,745)</u>		<u>(124,397)</u>
SHAREHOLDERS' FUNDS			<u>(65,539)</u>		<u>(58,191)</u>

The financial statements were approved by the director and authorised for issue on 31 July 2023 and were signed by:

D Chansiri - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2022**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Total equity £'000
Balance at 1 August 2020	46,500	(98,617)	19,706	(32,411)
Changes in equity				
Total comprehensive income	-	(25,780)	-	(25,780)
Balance at 31 July 2021	46,500	(124,397)	19,706	(58,191)
Changes in equity				
Total comprehensive income	-	(7,348)	-	(7,348)
Balance at 31 July 2022	46,500	(131,745)	19,706	(65,539)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

		2022 £'000	2021 £'000
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	(124)	(10,210)
Interest paid		(994)	(64)
Net cash from operating activities		<u>(1,118)</u>	<u>(10,274)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(267)	(1,391)
Purchase of tangible fixed assets		(292)	(50)
Sale of intangible fixed assets		955	378
Sale of tangible fixed assets		58	-
Deferred proceeds re stadium sale		15,000	15,000
Interest received		3	1
Net cash from investing activities		<u>15,457</u>	<u>13,938</u>
Cash flows from financing activities			
New loans in year		-	2,766
Loan repayments in year		(528)	(330)
Loan from/(to) controlling party		(13,051)	(5,644)
Capital repayments in year		(379)	(438)
Net cash from financing activities		<u>(13,958)</u>	<u>(3,646)</u>
Increase in cash and cash equivalents		<u>381</u>	<u>18</u>
Cash and cash equivalents at beginning of year	2	503	485
Cash and cash equivalents at end of year	2	<u>884</u>	<u>503</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

1. RECONCILIATION OF LOSS FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	2022 £'000	2021 £'000
Loss for the financial year	(7,348)	(25,780)
Depreciation charges	1,492	5,534
Profit on disposal of fixed assets	(955)	(565)
Finance costs	994	838
Finance income	(3)	(1)
	<u>(5,820)</u>	<u>(19,974)</u>
Decrease/(increase) in stocks	7	(107)
Decrease/(increase) in trade and other debtors	13,962	(297)
(Decrease)/increase in trade and other creditors	<u>(8,273)</u>	<u>10,168</u>
Cash generated from operations	<u><u>(124)</u></u>	<u><u>(10,210)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 July 2022

	31.7.22 £'000	1.8.21 £'000
Cash and cash equivalents	<u>884</u>	<u>503</u>

Year ended 31 July 2021

	31.7.21 £'000	1.8.20 £'000
Cash and cash equivalents	<u>503</u>	<u>485</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.21 £'000	Cash flow £'000	At 31.7.22 £'000
Net cash			
Cash at bank	<u>503</u>	<u>381</u>	<u>884</u>
	<u>503</u>	<u>381</u>	<u>884</u>
Debt			
Debts falling due within 1 year	<u>(375)</u>	<u>120</u>	<u>(255)</u>
	<u>(375)</u>	<u>120</u>	<u>(255)</u>
Total	<u><u>128</u></u>	<u><u>501</u></u>	<u><u>629</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

1. STATUTORY INFORMATION

Sheffield Wednesday Football Club Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 principal accounting policies adopted are set out below.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company'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.

The Stadium sale was accounted for based on the total sale price and the total profit recognised in the accounts for the year ended 31 July 2019. In the opinion of the Director including the total profit in the 18/19 accounts was to reflect the benefit of this transaction and underlying substance in line with the English Football League Profitability and Sustainability rules. Therefore, the Club did not discount and unwind the proceeds over the payment period.

Turnover

Turnover comprises the value of match receipts and season tickets, less percentage payments to the Football League and Football Association, receipts from the Football League and the Premier League, and other commercial and miscellaneous income except donations, all exclusive of value added tax.

Intangible assets other than goodwill

Player registrations - The cost of players' registrations is capitalised and amortised over the period of the respective players' contracts. Any transfer fee levy fund received during the year is credited against additions to intangible fixed assets.

Trademarks - 1 year

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

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:

Leasehold property Over the term of the lease
Plant and machinery 7.5% - 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Government grants

Grants received in relation to the government's Coronavirus Job Retention Scheme have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

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 company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and loans 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 receipts 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.

Derecognition of financial liabilities

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Player trading, signing on fees and loyalty bonuses

Player trading comprises amortisation of players' registrations and profits and losses on disposal of players' registrations. Signing on fees and loyalty bonuses represent a normal part of the employment cost of the player and as such are accounted for in the year they become payable under the player's contract. Those instalments due in the future on continued service are not provided for but are noted as contingent liabilities.

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.

Retirement benefits

The company offers an all-employee Scheme in line with auto-enrolment requirements. Contributions are charged to the profit and loss account for the period in which they are payable to the scheme.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

Going concern

The Company's business activities together with factors likely to affect its future development, performance and position are set out in the Directors report.

In considering the appropriateness of the going concern basis for the preparation of the financial statements, the director has reviewed cashflow forecasts for at least the next 12 months and has considered the working capital requirements of the Company for the short, medium and longer term taking account of the ongoing impact of the Covid-19 pandemic. In doing so, the director recognises that the company's total liabilities exceed its total assets by £65,539,000 and has determined that additional funding will be required to enable the Company to continue in operational existence. The owner has confirmed that sufficient financial support will be made available to enable the Company to meet its obligations as they fall due for a period of not less than 12 months from the date of approval of the financial statements. The director acknowledges that this support is not legally binding and is dependent on the availability of funding from the owner. Therefore, a material uncertainty exists which may cast doubt over the company's ability to continue as a going concern and, therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, after making enquiries and considering the funding requirements of the Company, the director is confident that funding will be made available and therefore has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly he continues to adopt the going concern basis in the preparation of the financial statements.

Impairment of fixed assets

At each reporting period end date, the company 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

2. ACCOUNTING POLICIES - continued

Equity instruments

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

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

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

	2022	2021
	£'000	£'000
Match receipts and associated	9,988	7,894
Commercial activities	6,371	3,750
	<u>16,359</u>	<u>11,644</u>

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£'000	£'000
Wages and salaries	10,972	21,135
Social security costs	1,249	2,954
Other pension costs	207	198
	<u>12,428</u>	<u>24,287</u>

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

	2022	2021
Players, administration and support	<u>257</u>	<u>246</u>

	2022	2021
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

5. OPERATING LOSS

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

	2022	2021
	£'000	£'000
Stadium rent	2,575	2,575
Depreciation - owned assets	743	811
Profit on disposal of fixed assets	(955)	(565)
Player registrations amortisation	<u>749</u>	<u>4,723</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£'000	£'000
Bank interest - over accrual	(6)	18
HP Interest payable	78	58
Other interest payable	<u>922</u>	<u>762</u>
	<u>994</u>	<u>838</u>

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£'000	£'000
Loss before tax	<u>(7,348)</u>	<u>(25,780)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(1,396)	(4,898)
Effects of:		
Expenses not deductible for tax purposes	429	277
Change in unrecognized deferred tax assets	893	15,775
Effect of change in corporation tax rate	-	(11,227)
Depreciation on assets not qualifying for tax allowances	<u>74</u>	<u>73</u>
Total tax charge	<u>-</u>	<u>-</u>

The company has accumulated tax losses of approximately £186m (2021: £163.8m)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022

8. INTANGIBLE FIXED ASSETS

	Player registrations £'000	Patents and licences £'000	Totals £'000
COST			
At 1 August 2021	2,225	14	2,239
Additions	267	-	267
Disposals	(709)	-	(709)
At 31 July 2022	<u>1,783</u>	<u>14</u>	<u>1,797</u>
AMORTISATION			
At 1 August 2021	1,306	14	1,320
Amortisation for year	749	-	749
Eliminated on disposal	(709)	-	(709)
At 31 July 2022	<u>1,346</u>	<u>14</u>	<u>1,360</u>
NET BOOK VALUE			
At 31 July 2022	<u>437</u>	<u>-</u>	<u>437</u>
At 31 July 2021	<u>919</u>	<u>-</u>	<u>919</u>

9. TANGIBLE FIXED ASSETS

	Improvements to property £'000	Plant and machinery £'000	Totals £'000
COST			
At 1 August 2021	3,869	7,236	11,105
Additions	-	292	292
Disposals	-	(58)	(58)
At 31 July 2022	<u>3,869</u>	<u>7,470</u>	<u>11,339</u>
DEPRECIATION			
At 1 August 2021	2,736	5,476	8,212
Charge for year	334	409	743
At 31 July 2022	<u>3,070</u>	<u>5,885</u>	<u>8,955</u>
NET BOOK VALUE			
At 31 July 2022	<u>799</u>	<u>1,585</u>	<u>2,384</u>
At 31 July 2021	<u>1,133</u>	<u>1,760</u>	<u>2,893</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

9. TANGIBLE FIXED ASSETS - continued

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022	2021
	£ 000	£ 000
Plant and machinery	<u>450</u>	<u>773</u>

10. STOCKS

	2022	2021
	£'000	£'000
Stocks	<u>508</u>	<u>515</u>

11. DEBTORS

	2022	2021
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	1,142	568
Other debtors	15,000	15,000
VAT	-	159
Prepayments and accrued income	<u>1,056</u>	<u>592</u>
	<u>17,198</u>	<u>16,319</u>
Amounts falling due after more than one year:		
Other debtors	<u>-</u>	<u>15,000</u>
Aggregate amounts	<u>17,198</u>	<u>31,319</u>

Included within other debtors is a balance of £15m (2021: £30m) relating to the proceeds receivable in respect of the sale of Hillsborough Stadium to Sheffield 3 Limited, a company controlled by Mr D Chansiri.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Bank loans and overdrafts (see note 14)	255	375
Trade creditors	2,077	1,828
Tax	8,384	9,680
VAT	253	-
Other creditors	6,679	6,677
Accruals and deferred income	<u>7,015</u>	<u>15,148</u>
	<u>24,663</u>	<u>33,708</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Included within other creditors is an amount of £6,501,370 (2021: £6,573,406) for which Mr D Chansiri and Sheffield 3 Limited, a company controlled by Mr D Chansiri, have acted as guarantors.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £'000	2021 £'000
Tax	-	8,206
Finance lease - LTP	-	259
Loan from Controlling Party	56,319	51,080
Other creditors	-	181
Accruals and deferred income	5,968	906
	<u>62,287</u>	<u>60,632</u>

The loan from the controlling party has no set repayment or interest terms. In the opinion of the director there would be no benefit in calculating a theoretical carrying value at amortised cost as required by FRS102. The balance continues therefore to be carried at transaction price.

14. LOANS

An analysis of the maturity of loans is given below:

	2022 £'000	2021 £'000
Amounts falling due within one year or on demand:		
Finance lease - current portion	255	375
	<u>255</u>	<u>375</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £'000	2021 £'000
Within one year	1,750	1,500
Between one and five years	7,500	7,250
In more than five years	65,000	67,000
	<u>74,250</u>	<u>75,750</u>

The lease payments disclosed principally relate to the lease of Hillsborough Stadium. No rent was payable in the first year of the lease agreement and the rent-free period has been spread over the term of the lease in accordance with the requirements of FRS 102.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £'000	2021 £'000
46,500,000	Ordinary share capital	1	<u>46,500</u>	<u>46,500</u>

17. RESERVES

	Retained earnings £'000	Share premium £'000	Totals £'000
At 1 August 2021	(124,397)	19,706	(104,691)
Deficit for the year	<u>(7,348)</u>		<u>(7,348)</u>
At 31 July 2022	<u>(131,745)</u>	<u>19,706</u>	<u>(112,039)</u>

18. RELATED PARTY TRANSACTIONS

Transactions with related parties

Mr D Chansiri is a director of Sheffield Wednesday Football Club Community Programme. During the year the company recharged amounts to SWFC Community Programme for expenses incurred on their behalf.

Mr D Chansiri is also the owner and a director of Elev8 Energy Drink Limited, Elev8 Clothing Limited, D Performance Limited and Sheffield 3 Limited.

Income of £734,420 and costs of £2,577,177 were recognised in these financial statements from transactions with these related parties.

At the year end there were no amounts owed to or by these related parties.

The operating lease commitments in respect of the stadium lease due to Sheffield 3 Limited are disclosed in note 15 to the accounts.

The amount owing by Sheffield 3 amounts to £15,000,000

The balance owing to D Chansiri amounts to £56,319,072 (2021: £51,080,049)

There are no other related party transactions to disclose.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2022**

19. POST BALANCE SHEET EVENTS

In November 2022, the Club's insurer settled a claim relating to the Club's denial of access to Hillsborough stadium arising from the COVID-19 pandemic.

Also in November 2022, HMRC approved the Club's research and development claims submitted in relation to the tax years 1 August 2017 to 31 July 2018 and 1 August 2018 to 31 July 2019.

The costs of the proceedings before the EFL Disciplinary Commission in 2019/20 were agreed in February 2023, with the EFL making a payment to the Club.

On 29 May 2023, the club won promotion to the Championship.

In June 2023, HMRC approved a research and development claim submitted by the Club in relation to the tax year 1 August 2020 to 31 July 2021.

20. ULTIMATE CONTROLLING PARTY

The company's immediate parent company is SWFC Holdings Limited, a company registered in Hong Kong. The company's ultimate parent company is Sheffield 2 Limited, a company registered in England and Wales.

The company is controlled by Mr D Chansiri by virtue of his shareholding in Sheffield 2 Limited.

21. RETIREMENT BENEFIT SCHEMES

	2022	2021
	£ 000	£ 000
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	207	198

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.

22. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Player related matters

No provision is included in the financial statements for signing-on fees and loyalty bonuses, as at 31 July 2022 £256,000 (31 July 2021: £579,000) which would become due to certain players if they are still in the service of the Club on specific future dates.

23. FOOTBALL LEAGUE PENSION COSTS

Certain ex-employees of the Company are members of the closed Football league Limited Pension and Life Assurance Scheme, a defined benefit scheme. As the company is one of a number of participating employers in the scheme, it is not possible to accurately identify any actuarial surplus or deficit. However under Section 75 of the Pensions Act 1995, the Company, as a participating employer in the scheme, is liable to fund the deficit relating to Company ex-employees who are members of the scheme.

The liability calculated by Trustees at 1 September 2020 and allocated to the company amounted to £88,513. The balance estimated as outstanding as at 31 July 2022 is £63,378 and is included in accruals.

The assets of the scheme are held separately from those of the Company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.