

AFCW STADIUM LIMITED

Report and Financial Statements

Year Ended

30 June 2016

Company Number 04764828



AFCW STADIUM LIMITED

Company Information

Directors	I H Heller J E Samuelson
Company secretary	W D Charles
Registered number	04764828
Registered office	The Cherry Red Records Stadium Jack Goodchild Way 422a Kingston Road Kingston Upon Thames Surrey KT1 3PB

AFCW STADIUM LIMITED

Contents

	Page
Directors' Report	1 - 2
Independent Auditors' Report	3 - 4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7 - 8
Notes to the Financial Statements	9 - 15

AFCW STADIUM LIMITED

Directors' Report For the Year Ended 30 June 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

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

Principal activity

The principal activities of the company during the year continue to be the ownership of the long leasehold property at The Cherry Red Records Stadium, the home ground of AFC Wimbledon. The results for the year and the financial position of the company were considered satisfactory by the directors.

Results and dividends

The profit for the year, after taxation, amounted to loss £11,294 - (2015 - loss £13,012).

Directors

The directors who served during the year were:

I H Heller
J E Samuelson

Future developments

In December 2015 Merton Council unanimously approved a planning application for a new stadium and associated development on a site in Plough Lane. Despite being delayed by various interventions, the company and its fellow subsidiary, AFC Wimbledon Limited, is now close to agreeing the section 106 agreement and related documents which would represent final and irrevocable planning permission. If all goes to plan it is likely that construction of the new stadium will start in late 2017 and it is this which will be occupying the boards of the company, its fellow subsidiary AFC Wimbledon Limited and its parent companies over the coming months.

AFCW STADIUM LIMITED

Directors' Report For the Year Ended 30 June 2016

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14 November 2016 and signed on its behalf.



J E Samuelson
Director

AFCW STADIUM LIMITED

Independent Auditors' Report to the Members of AFCW STADIUM LIMITED

We have audited the financial statements of AFCW Stadium Limited for the year ended 30 June 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its results 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AFCW STADIUM LIMITED

Independent Auditors' Report to the Members of AFCW STADIUM LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Ian Clayden (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
London
United Kingdom

14 November 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AFCW STADIUM LIMITED

Statement of Comprehensive Income For the Year Ended 30 June 2016

	Note	2016 £	2015 £
Turnover	4	60,000	60,000
Gross profit		<u>60,000</u>	<u>60,000</u>
Administrative expenses		(49,814)	(50,001)
Operating profit	5	<u>10,186</u>	<u>9,999</u>
Interest payable and similar expenses	7	(21,480)	(23,011)
(Loss) before tax		<u>(11,294)</u>	<u>(13,012)</u>
(Loss) for the year		<u>(11,294)</u>	<u>(13,012)</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(11,294)</u>	<u>(13,012)</u>

The notes on pages 9 to 15 form part of these financial statements.

AFCW STADIUM LIMITED

Registered number: 04764828

Statement of Financial Position As at 30 June 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	9		1,843,137		1,892,952
			<u>1,843,137</u>		<u>1,892,952</u>
Creditors: amounts falling due within one year	10	(1,820,532)		(1,798,133)	
Net current assets/(liabilities)			<u>(1,820,532)</u>		<u>(1,798,133)</u>
Total assets less current liabilities			<u>22,605</u>		<u>94,819</u>
Creditors: amounts falling due after more than one year	11		(351,459)		(412,379)
Net assets			<u>(328,854)</u>		<u>(317,560)</u>
Capital and reserves					
Share capital	14		1		1
Profit and loss account	15		(328,855)		(317,561)
			<u>(328,854)</u>		<u>(317,560)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 November 2016.



J E Samuelson
Director



I H Heller
Director

The notes on pages 9 to 15 form part of these financial statements.

AFCW STADIUM LIMITED

Statement of Changes in Equity For the Year Ended 30 June 2016

	Share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2015	1	(317,561)	(317,560)
Comprehensive income for the year	-	-	-
Loss for the year	-	(11,294)	(11,294)
At 30 June 2016	<u>1</u>	<u>(328,855)</u>	<u>(328,854)</u>

The notes on pages 9 to 15 form part of these financial statements.

AFCW STADIUM LIMITED

Statement of Changes in Equity For the Year Ended 30 June 2015

	Share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2014	1	(304,549)	(304,548)
Comprehensive income for the year			
Loss for the year	-	(13,012)	(13,012)
At 30 June 2015	<u>1</u>	<u>(317,561)</u>	<u>(317,560)</u>

The notes on pages 9 to 15 form part of these financial statements.

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

1. General information

AFCW Stadium Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered their forecast cash flow requirements and made appropriate enquiries of its parent undertaking including with regard to their continuing financial support, and consider that it is appropriate to draw up the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the going concern basis of preparation were to become no longer appropriate.

2.3 Revenue

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

Turnover represents rentals from stadium tenancies.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Investment property whose fair value can be measured reliably without undue cost or effort on an ongoing basis is accounted for at fair value through profit or loss. All other investment property is accounted for as property plant and equipment using the cost model.

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property - Lesser of period of lease or 50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Financial instruments

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

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position if there is an 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.

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

2.6 Creditors

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

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.9 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AFCW PLC as at 30/06/2016 which may be obtained from Companies House, Crown Way, Cardiff, CF14 3VZ.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the key estimate relates to the determination of the depreciation period for plant, property and equipment and its residual value, along with any potential impairment in carrying value, which is determined with reference to recoverable amounts, being the higher of value in use and fair value less costs to sell.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>49,815</u>	<u>49,814</u>

During the year, no director received any emoluments (2015 - £NIL).

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

6. Employees

The Company has no employees other than the Directors, who did not receive any remuneration in the year (2015 - £Nil). The Directors' remuneration is borne by a fellow subsidiary, AFC Wimbledon Ltd.

7. Interest payable

	2016 £	2015 £
Bank	13,329	15,076
Parent company loan	7,975	7,935
Other charges	<u>176</u>	<u>-</u>
	<u>21,480</u>	<u>23,011</u>

8. Taxation

	2016 £	2015 £
UK Corporation Tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed on the loss from ordinary activities for the year is differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	<u>(11,294)</u>	<u>(13,012)</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	(2,258)	(2,602)
Effects of:		
Depreciation in excess of capital allowances	9,963	9,963
Group relief	(7,705)	(7,361)
Total tax charge for the year	<u>-</u>	<u>-</u>

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

Factors that may affect future tax charges

The deferred tax asset of £28,080 (2015 - £28,318) arising due to capital allowances in advance of depreciation has not been recognised in the accounts, as on available evidence it does not meet the recognition criteria as stipulated by Section 29 of FRS 102..

9. Tangible fixed assets

	Long-term leasehold property
	£
Cost	
At 1 July 2015	2,490,723
At 30 June 2016	<u>2,490,723</u>
At 1 July 2015	597,771
Charge for the period	<u>(49,815)</u>
At 30 June 2016	<u>647,586</u>
Net book value	
At 30 June 2016	<u>1,843,137</u>
At 30 June 2015	<u>1,892,952</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loan - secured	60,900	59,852
Amount due to immediate parent company	155,632	134,280
Amount due to group company	1,603,500	1,603,500
Accruals	500	501
	<u>1,820,532</u>	<u>1,798,133</u>

Of the amounts due to the immediate parent company £291,312 (2015 - £291,312) attracts interest at an average rate of 4%. Interest paid on this balance in the year amounts to £7,975 (2015 - £7,935). The entire balance is repayable on demand.

Amounts due to other group companies are interest free and repayable on demand.

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

11. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loan - secured	351,459	412,379
	<u>351,459</u>	<u>412,379</u>

The bank loan is secured by way of a legal mortgage over the long leasehold property and is repayable by monthly instalments ending in September 2022. Interest is charged at base rate plus 2.5% and the interest charged during the period was £13,372 (2015 £15,076).

12. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
In one year or less	60,900	59,852
In more than one year but not more than two years	62,752	61,672
In more than two years but not more than five years	199,943	196,500
In more than five years	<u>88,764</u>	<u>154,207</u>
	<u>412,359</u>	<u>472,231</u>

13. Financial instruments

	2016 £	2015 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,171,991)</u>	<u>(2,210,512)</u>
	<u>(2,171,991)</u>	<u>(2,210,512)</u>

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and bank loans.

AFCW STADIUM LIMITED

Notes to the Financial Statements For the Year Ended 30 June 2016

14. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

15. Reserves

Share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

16. First time adoption of FRS 102

The directors have assessed the requirements associated with first time adoption of FRS 102 and any required changes and believe that there are no areas which require an accounting policy adjustment.

The directors consider that, other than in primary statements presentation the first financial statements prepared under FRS 102 do not materially differ from those under UK GAAP and therefore do not require a detailed reconciliation of the profit and loss and equity to be presented.

17. Contingent liabilities

Conditional on the sale of the stadium, an amount of £80,500 would be payable to a third party by way of commercial compensation.

18. Ultimate parent company

The ultimate parent company is Wimbledon Football Club Supporters Society Limited, a company registered in England under the Co-operative and Community Benefit Societies Act 2014.

The immediate parent company is AFCW PLC which owns 100% of the issued share capital of the company. The consolidated financial statements of AFCW PLC are available to the public and can be obtained from Companies House.