

Registered number: 05891280

NSWE SPORTS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**



NSWE SPORTS LIMITED

CONTENTS

	Page
Company Information	1
Strategic Report	2
Directors' Report	6
Independent Auditors' Report to the Members of NSW Sports Limited	10
Consolidated Statement of Comprehensive Income	14
Consolidated Balance Sheet	15
Company Balance Sheet	16
Consolidated Statement of Changes in Equity	17
Company Statement of Changes in Equity	18
Consolidated Statement of Cash Flows	19
Notes to the Financial Statements	20

NSWE SPORTS LIMITED

COMPANY INFORMATION

Directors

W R Edens
N Sawiris

Registered number

05891280

Registered office

Villa Park
Birmingham
West Midlands
B6 6HE

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

NSWE SPORTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present the Strategic Report and the audited consolidated financial statements of NSW Sports Limited (the "Group") and NSW Sports Limited ("the Company") for the year ended 31 May 2023.

Principal activities

The Group operates a professional football club. The principal activity of the Company is that of a holding Company.

Review of business

The 2022/23 football season saw the Club compete in the Premier League for a fourth consecutive season. The Club was focused upon consolidating its Premier League status and invested £63.7m (2022: £203.5m) in the acquisition of new players. Profit on disposal of player registrations for the year was £22.5m (2022: £97.4m) and the charge for amortisation of player registrations for the year was £92.5m (2022: £82.5m). Capital investment on infrastructure also continued with tangible fixed asset additions in the year of £13.4m (2022: £7.1m).

During the year the Group had cash inflows from the issue of share capital totalling £123.5m. Net cash outflow from investment in and disposal of tangible and intangible assets totalled £70.7m (2022: £21.8m) and net cash used in operating activities was £22.8m (2022: £12.1m). The net increase of cash and cash equivalents was £25.9m (2022: £35.5m decrease).

The football season culminated in a final league place of 7th which meant the Club qualified to participate in the UEFA conference league in the 2023/24 season. The Club will also again compete in the Premier League in the 2023/24 season.

Turnover for the year amounted to £217.7m (2022: £178.4m). The result, before taxation, amounted to a loss before taxation of £120.3m (2022: £0.4m profit). The loss for the financial year of £119.6m (2022: £0.3m profit) has been added to from reserves.

Net assets at the year-end were £147.3m (2022: £143.4 m).

The directors have not declared or paid an interim dividend during the year (2022: £Nil). They do not recommend a final dividend (2022: £Nil).

Principal risks and uncertainties

The key risk facing the football club is that of poor on field results and in particular relegation from the Premier League and the financial consequences that would follow. The Board attempts to mitigate this risk by providing the manager with first class training facilities and appropriate payroll and transfer budgets, as well as generous support to the Academy.

The Company operates in a challenging industry sector where turnover can reduce significantly as a result of poor on pitch performance. In order to mitigate this risk the club has a strategy of performance related pay for key personnel including players whereby salary costs will fluctuate in line with income generated as a result of on field results.

The Board is focused on providing necessary investment in the playing squad, operational functions and infrastructure of the Club whilst recognising that it must remain compliant with Premier League profit and sustainability rules. The club reviews compliance with these regulations at the time of budgets and reviews in all relevant situations where a decision may be taken that would have a material impact on compliance. Management will continue to review and monitor forecasts and the directors believe they will remain compliant for the 2023/24 season.

NSWE SPORTS LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MAY 2023

Principal risks and uncertainties (continued)

The Company's performance depends largely upon its footballing and non-footballing staff. The resignation of key individuals and the inability to recruit people with the correct experience and skills could adversely impact the Company's results. To mitigate these issues the company is constantly analysing its marketplace and has policies in place designed to retain key individuals.

The club is also aware of risks associated with the reliance upon shareholders to fund operations. However the Directors are confident that this risk is mitigated by recent positive upsides to the business such as qualification for UEFA competition in the 2023/24 season and the significant realisable market value of the playing squad.

Key Performance Indicators ("KPIs")

The directors consider that the key performance indicators of a professional football club are finishing position in the league, progress in cup competitions and average league attendance. The Group also monitors financial KPI's and although not exhaustive the table below summarises major KPI's over the reporting period.

	2023	2022
League Finishing Position	7th Premier League	14th Premier League
FA Cup Competition	3rd Round	3rd Round
Football League Cup Competition	3rd Round	3rd Round
Average League Attendance	41,711	41,670
Turnover (£)	217.7m	178.4m
Total staff costs (£)	194.2m	137.0m
(Loss)/profit before taxation (£)	(120.3)m	0.4m

Directors' statement of compliance with duty to promote the success of the Group

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors acknowledge their responsibility to act in a manner that protects the interests of all stakeholders.

Supporters

Aston Villa supporters are famous throughout the game for their passion and loyalty. Our home at Villa Park is consistently sold out for Premier League games and the demand for Season Tickets remains unabated with more than 30,000 people on the waiting list.

Our consultation and dialogue with supporters is now officially structured through the newly-constituted Fan Advisory Board (FAB), the successor to our Fan Consultation Group. The FAB has been created following the introduction by Premier League clubs of the Fan Engagement Standard – which reinforces the league and clubs' commitment to ensuring long-term meaningful engagement with supporters. Building on existing work undertaken by clubs, the framework establishes a clear required standard for fan engagement and promotes the sharing of good practice.

The primary purpose of the Fan Advisory Board is to engage in discussion, exchange information and secure feedback from a supporter's perspective. The Aston Villa Fan Advisory Board is a consultative body representative of supporters' representatives from 13 independent and diverse fans groups.

Aston Villa pledges to hold regular meetings of this group with senior officials, to gauge opinion, seek advice and feedback and make sure views are taken into account by the Club.

NSWE SPORTS LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MAY 2023

Directors' statement of compliance with duty to promote the success of the Group (continued)

Supporters (continued)

We are grateful to those committed supporters who give a significant amount of time to advise, suggest, recommend and help the Club understand the views of a wide proportion of the fanbase.

Staff

Our staff are at the heart of everything we do, and we value the contribution made by every colleague within our Aston Villa family.

We are focused on Aston Villa Football Club being an employer of choice, which embraces a high-performance culture across our workforce, at all levels.

Within the bounds of commercial confidentiality, the Club endeavours to keep staff at all levels informed of matters that affect the progress of the Club and are of interest to them as employees.

The Club has also continued to recruit and attract exceptional, talented staff who are driving the Club forward to deliver success both on and off the pitch. We are committed to improving the physical and mental health and wellbeing of our staff in order to perform at the highest level possible. Equality and Diversity is central to all employee considerations, and we are fully committed to paying all of our staff at least the Real Living Wage.

Community

The Aston Villa Foundation enjoyed another year of growth and expansion during 2022-23. Once again, the turnover of the organisation and staff team increased in size, demonstrating the continued success and impact that the Foundation has on marginalised and underserved groups within the city of Birmingham and surrounding areas.

The Foundation continues to increase the number of projects, activities and events on offer for the public benefit, and also enjoys strong working relationships with a large number of organisations from the statutory and voluntary sectors. The Foundation would like to place on record its thanks to its funders and those partner organisations it works alongside in order to deliver its work and support those who need it most.

Commercial Partners

The Club remains committed to delivering its strategy of growing its partnership portfolio in terms of total number of partners, industries, and worldwide geographic spread.

Governing Authorities

The Club maintains a close working relationship with both The F.A. and The Premier League and is committed to operating within their framework of rules and regulations. Club management regularly attend Premier League shareholder meetings.

Decision making at board level

All matters relating to the Group's governance are reserved for decision by the Board and are presented for consideration at Board meetings. Directors are briefed on potential impacts and risks for the Club, supporters, staff, the local community, commercial partners and governing authorities. These factors are taken into account before making decisions that the Directors believe to be in the best interests of the Group and its stakeholders.

NSWE SPORTS LIMITED
STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MAY 2023

Streamlined Energy and Carbon Report (SECR)

The Club has continued in its progress in its environmental practices and impact, which includes the development of a new organisational environmental policy, a new cross-departmental internal working group and some initial targets set on recycling rates and access to the stadium via public transport. The Club is working with an external consultancy to measure the carbon footprint across the organisation, which will allow the Club to identify areas for improvement and develop a full environmental strategy based around the available data. In addition, the Club is represented on a new Premier League environmental sustainability working group to ensure it is aware of best practice and new developments across the industry.

Reporting year	1 June 2022 - 31 May 2023	1 June 2021 - 31 May 2022
Location	UK	UK
Emissions from the combustion of gas, LPG and fuel for transport purposes (tCO2e) (Scope 1)	1,150	1,063
Emissions from purchase of electricity (tCO2e) (Scope 2)	1,361	1,410
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (tCO2e) (Scope 3)	101	78
Total gross emissions based on the above (tCO2e)	2,612	2,551
Total energy consumption based on above (kWh)	13.2m	12.3m
Intensity ratio : Gross tCO2e Scope (1+2+3) / Quantity (based on mandatory fields above e.g. tCO2e per £m turnover)	11.93	14.28

Data has been collected from sources including utility providers, fuel usage and mileage records. The emissions disclosures have been prepared in accordance with the provisions of the 'GHG Reporting Protocol - Corporate Standard' and HM Government 'Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance' issued March 2019. The UK Government greenhouse gas reporting conversion factors for 2022/23 were used in preparing this report.

This report was approved by the board and signed on its behalf by:


N Sawiris
 Director

Date: 12/10/2023

NSWE SPORTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present their annual report and the audited consolidated financial statements of NSW Sports Limited (the "Group") and NSW Sports Limited ("the Company") for the year ended 31 May 2023.

Principal activities

The principal activities of the Group are enclosed within the Strategic Report.

Results and dividends

The loss for the financial year amounted to £119.6m (2022: profit £0.3m).

The directors do not recommend payment of a final dividend (2022: £Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

W R Edens
C M'C Purslow (resigned 12 June 2023)
N Sawiris

Directors' and officers' insurance

Throughout the year and up to the date of signing of the financial statements, the Company maintains cover under a qualifying third-party indemnity for all directors and officers against liabilities which may be incurred by them whilst acting as directors or officers.

Future developments

The Club's prime goal is improving on field performance, consolidating its position as a member of the FA Premier League and regularly qualifying to compete in UEFA competitions.

Research and development activities

The Club's key supporting departments seek to drive player performance improvements through R&D in the field of physiological science and sports science. AVFC Management invest in these activities with the vision that it will deliver competitive advantage and sustained club success.

Going concern

The directors have formed a judgement that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The Group made a loss for the financial year and had net current liabilities of £88.8m (2022: £111.9m).

The directors have prepared detailed cashflow forecasts to assess potential funding requirements for a period of 12 months from the signing of these financial statements. The forecasts model the continued availability of the banking overdraft facility provided to the Club by Barclays Bank Plc. The directors have made enquiries of Barclays Bank Plc over the continued provision of this facility for the going concern assessment period and received confirmation that there were no concerns in relation to it continuing to be made available.

NSWE SPORTS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MAY 2023

Going concern (continued)

The directors are confident in their assumption that cash flow forecasts for 2023/24 should be based upon participation in the Premier League. However, forecasts have been prepared on both a base case and a severe but plausible downside scenario (modelling the impact of a lower league finishing position of 16th) to assess the cashflow requirements for 12 months from the date of approval of the financial statements.

Based upon current expectations and with the continued support of the Club's parent company, NSWE UK Limited, the Group are forecast to have sufficient resources to meet their liabilities to a period not shorter than 12 months from the date of approval of the financial statements.

A letter of support has been obtained from NSWE UK Limited which enables the Club to meet its cashflow obligations that are forecast to result from a further season of Premier League participation in this period.

Additionally, the directors would not commit to any further spend above the current forecasted levels, particularly in relation to the acquisition of players, without first confirming availability of sufficient funding. As such, the directors do not consider there to be a material uncertainty in relation to the ability of the Club to continue as a going concern.

The directors therefore believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the parent company NSWE UK Limited.

Charitable contributions

All fund-raising events are dealt with by the Aston Villa Foundation which is registered with the Charity Commission. There were £Nil political contributions (2022: £Nil).

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk, interest rate risk, exchange rate risk and credit risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of risk, including where appropriate the utilisation of debt factoring.

Given the size of the Group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Group's finance department.

Employees

The Company continues its policy of keeping its employees informed on a regular basis of matters concerning them as employees and on financial and economic factors affecting the performance of the Company.

NSWE SPORTS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MAY 2023

Disabled persons

The Company recognises its responsibility to employ disabled persons in suitable employment and gives full and fair consideration to applications for employment made by such persons, having regard to their particular aptitudes and abilities.

Any employee who becomes disabled is encouraged to remain in the Company's employment, in the same job if this is practicable. If a change of job is necessary, such an employee is considered for any suitable alternative work which is available and any necessary training is arranged.

Disabled employees are treated equally with all employees in respect of their eligibility for training, career development and promotion.

Post balance sheet events

Since the Balance Sheet date various players have been bought and sold.

The net income of these transfers taking into account the applicable levies and sell on clauses, is £40.3m (2022: £47.9m). The net cost of these transfers and staff changes, taking into account the applicable levies, is £67.9m (2022: £63.4m). These transfers will be accounted for in the year ending 31 May 2024.

The Group has drawdown £60m since year-end from a bridging facility with its ultimate parent, V Sports S.C.S.

Christian Purslow left his position as CEO and statutory director on 12 June 2023.

Streamlined energy and carbon reporting ('SECR')

Streamlined Energy and Carbon Report (SECR) is detailed within the Strategic Report on page 5.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, 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 Group and the Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NSWE SPORTS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MAY 2023

Statement of directors' responsibilities in respect of the financial statements (continued).

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by:



N Sawiris
Director

Date: 12/10/2023

NSWE SPORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NSWE SPORTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, NSW Sports Limited's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 May 2023 and of the Group's loss and the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheet as at 31 May 2023; the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

NSWE SPORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NSWE SPORTS LIMITED (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 May 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and 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 directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

NSWE SPORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NSWE SPORTS LIMITED (continued)

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Profit and Sustainability Rules (PSR) by the FA Premier League, and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to journal entries to improve the reported financial position or performance of the business and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with management and the in house legal team in relation to known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journal entries through a risk based approach, in particular any journal entry posted with unusual account combinations;
- Reviewing accounting estimates for evidence of bias and validating the support behind these estimates which has been provided by management;
- Reviewing financial statement disclosures and testing to appropriate supporting documentation to assess compliance with accounting standards and applicable laws and regulations;
- Reviewing PSR calculations and correspondence with the FA Premier League with respect to PSR submission; and
- Incorporating elements of unpredictability into the nature, timing and extent of testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom

NSWE SPORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NSWE SPORTS LIMITED (continued)

this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

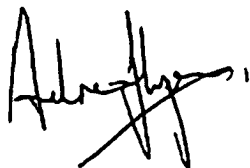
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Andrew Lyon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

Date: 13 October 2023

NSWE SPORTS LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2023

		Operations excluding player trading			Operations excluding player trading		
		2023	Player transactions	Total	2022	Player transactions	Total
	Note	£000	£000	£000	£000	£000	£000
Turnover	4	211,950	5,744	217,694	169,123	9,276	178,399
Other operating income	5	–	–	–	250	–	250
Operating expenses (restated*)	7	(264,662)	(92,519)	(357,181)	(192,334)	(82,535)	(274,869)
Operating loss before profit and disposal of players' registrations		(52,712)	(86,775)	(139,487)	(22,961)	(73,259)	(96,220)
Profit on disposal of players' registrations		–	22,462	22,462	–	97,445	97,445
(Loss)/profit before interest	7	(52,712)	(64,313)	(117,025)	(22,961)	24,186	1,225
Interest receivable and similar income	10	794	–	794	794	–	794
Interest payable and similar expenses	11	(4,078)	–	(4,078)	(1,598)	–	(1,598)
(Loss)/profit before taxation		(55,996)	(64,313)	(120,309)	(23,765)	24,186	421
Tax on (loss)/profit	12	661	–	661	(85)	–	(85)
(Loss)/profit for the financial year		(55,335)	(64,313)	(119,648)	(23,850)	24,186	336

All operations are continuing and profits are attributable to owner of parent company.

There are no items of other comprehensive income/(expense).

Player transactions includes fees received for players out on loan, as well as amortisation, impairment and profit on disposal of players' registrations.

* Please see note 7 for further details.

The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED
REGISTERED NUMBER: 05891280
CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	13	228,778	287,502
Tangible assets	14	54,589	45,226
		283,367	332,728
Current assets			
Debtors	16	94,702	88,312
Cash at bank and in hand	17	10,545	2,207
		105,247	90,519
Creditors: amounts falling due within one year	18	(194,052)	(202,455)
Net current liabilities		(88,805)	(111,936)
Total assets less current liabilities		194,562	220,792
Creditors: amounts falling due after more than one year	19	(47,299)	(77,381)
Net assets		147,263	143,411
Capital and reserves			
Called up share capital	22	325,688	325,688
Capital contribution reserve	23	522,089	398,589
Profit and loss account	23	(700,514)	(580,866)
Total shareholders' funds		147,263	143,411

The financial statements on pages 14 to 39 were approved by the Board of Directors on 12/10/2023 and signed on its behalf by:



N Sawiris
Director

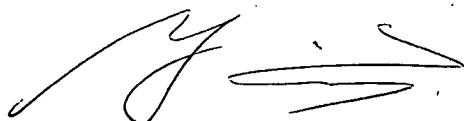
The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED
REGISTERED NUMBER: 05891280
COMPANY BALANCE SHEET
AS AT 31 MAY 2023

	Note	2023 £000	2022 £000
Fixed assets			
Investments	15	6,078	6,078
Current assets			
Debtors	16	501,549	378,049
Net current assets		501,549	378,049
Total assets less current liabilities and net assets		507,627	384,127
Capital and reserves			
Called up share capital	22	325,688	325,688
Capital contribution reserve	23	522,089	398,589
Profit and loss account	23	(340,150)	(340,150)
Total shareholders' funds		507,627	384,127

The Company has not presented a separate Statement of Comprehensive Income as permitted by section 408 of the Companies Act 2006. The result for the financial year for the Company was £Nil (2022: £Nil).

The financial statements on pages 14 to 39 were approved by the Board of Directors on 12/10/2023 and signed on its behalf by:



N Sawiris
Director

The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total shareholders' funds £000
At 1 June 2021	325,688	398,589	(581,202)	143,075
Comprehensive income for the financial year				
Profit for the financial year	–	–	336	336
Total comprehensive income for the financial year	–	–	336	336
At 31 May 2022 and 1 June 2022	325,688	398,589	(580,866)	143,411
Comprehensive expense for the financial year				
Loss for the financial year	–	–	(119,648)	(119,648)
Total comprehensive expense for the financial year	–	–	(119,648)	(119,648)
Contributions by and distributions to owners				
Capital contribution received in year	–	123,500	–	123,500
Total transactions with owners	–	123,500	–	123,500
At 31 May 2023	325,688	522,089	(700,514)	147,263

The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £000	Capital contribution reserve £000	Profit and loss account £000	Total shareholders' funds £000
At 1 June 2021	325,688	398,589	(340,150)	384,127
Comprehensive income for the financial year				
Result for the financial year	–	–	–	–
Total comprehensive income for the financial year	–	–	–	–
At 31 May 2022 and 1 June 2022	325,688	398,589	(340,150)	384,127
Comprehensive income for the financial year				
Result for the financial year	–	–	–	–
Total comprehensive income for the financial year	–	–	–	–
Contributions by and distributions to owners				
Capital contribution received in year	–	123,500	–	123,500
Total transactions with owners	–	123,500	–	123,500
At 31 May 2023	325,688	522,089	(340,150)	507,627

The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2023

	2023 £000	2022 £000
Cash flows from operating activities		
(Loss)/profit for the financial year	(119,648)	336
Adjustments for:		
Profit on disposal of players' registrations	(22,462)	(97,445)
Profit on disposal of tangible assets	(9)	(13)
Interest receivable and similar income	(794)	(794)
Interest payable and similar expenses	4,078	1,598
Amortisation of intangible assets	92,519	82,535
Depreciation of tangible assets	4,009	3,481
Taxation (credit)/charge	(661)	85
Increase in debtors	(3,041)	(12,209)
Increase in creditors	23,221	10,400
R&D tax credit	—	(84)
Net cash used in operating activities	(22,788)	(12,110)
Cash flows from investing activities		
Purchase of intangible assets	(105,849)	(119,192)
Sale of intangible assets	47,706	103,645
Purchase of tangible assets	(13,372)	(7,093)
Sale of tangible assets	9	58
Interest received	794	794
Net cash used in investing activities	(70,712)	(21,788)
Cash flows from financing activities		
Interest paid	(4,078)	(1,598)
Capital contribution	123,500	—
Net cash generated from/(used in) financing activities	119,422	(1,598)
Net increase/(decrease) in cash and cash equivalents	25,922	(35,496)
Cash and cash equivalents at beginning of the financial year	(15,377)	20,119
Cash and cash equivalents at the end of the financial year	10,545	(15,377)
Cash and cash equivalents at the end of the financial year comprise:		
Cash at bank and in hand	10,545	2,207
Bank overdrafts	—	(17,584)
	10,545	(15,377)

The notes on pages 20 to 39 form an integral part of these financial statements.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

1 General information

NSWE Sports Limited's (the "Company") principal activity continues to be that of a holding company. The principal activity of the Group is the operation of a professional football club.

The Company is a private company limited by shares and is incorporated and registered in England, UK. The address of its registered office is Villa Park, Birmingham, West Midlands, B6 6HE.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, 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.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied consistently throughout the year:

2.2 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 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 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries, see note 16) made up to 31 May each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. All intercompany transactions and balances are eliminated on consolidation. Uniform accounting policies have been applied across the Group. The profit for the financial year dealt with in the financial statements of the parent Company was £Nil (2022: £Nil). As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent Company.

The bringing together of the Company's subsidiary undertakings has been accounted for using merger accounting principles set out in the Companies Act 2006 as applicable to group reconstructions. As such, these consolidated financial statements include the financial information in full of NSW Sports Limited (for the year ending 31 May 2023) as required by Schedule 6 to SI 2008/410.

2.4 Going concern

The directors have formed a judgement that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The Group made a loss for the financial year and had net current liabilities of £88.8m (2022: £111.9m).

The directors have prepared detailed cashflow forecasts to assess potential funding requirements for a period of 12 months from the signing of these financial statements. The forecasts model the continued availability of the banking overdraft facility provided to the Club by Barclays Bank Plc. The directors have made enquiries of Barclays Bank Plc over the continued provision of this facility for the going concern assessment period and received confirmation that there were no concerns in relation to it continuing to be made available.

The directors are confident in their assumption that cash flow forecasts for 2023/24 should be based upon participation in the Premier League. However, forecasts have been prepared on both a base case and a severe but plausible downside scenario (modelling the impact of a lower league finishing position of 16th) to assess the cashflow requirements for 12 months from the date of approval of financial statements.

Based upon current expectations and with the continued support of the Club's parent company, NSW UK Limited, the Group are forecast to have sufficient resources to meet their liabilities to a period not shorter than 12 months from the date of approval of financial statements..

A letter of support has been obtained from NSW UK Limited which enables the Club to meet its cashflow obligations that are forecast to result from a further season of Premier League participation in this period.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.4 Going concern (continued)

Additionally, the directors would not commit to any further spend above the current forecasted levels, particularly in relation to the acquisition of players, without first confirming availability of sufficient funding. As such, the directors do not consider there to be a material uncertainty in relation to the ability of the Club to continue as a going concern.

The directors therefore believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the parent company NSWE UK Limited.

2.5 Subsidiary company audit exemption

For the year ending 31 May 2023, Aston Villa Women's Football Club Limited (Registered number: 08414046) was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities held at the Balance Sheet date are revalued using the rate at that date.

2.7 Disclosure of Non-GAAP measure

The directors consider the use of operating loss before player trading to be necessary for the understanding of the underlying performance of the business due to the significant impact and volatility of player trading and exceptional items on the business.

2.8 Turnover

Turnover represents amounts receivable for goods and services, excluding transfer fees receivable in respect of the disposal of players' registrations, in the normal course of the Group's business. It is stated net of discounts and value added tax. Turnover in regard to player transactions relate to fees receivable for the loans of players' registrations.

Gate receipts turnover is recognised over the period of the English football season, usually covering the period from August to May each year, as home matches are played.

Fixed elements of broadcasting contracts are taken in proportion to the number of league matches played, home and away. Broadcasting facility fees are accounted for when earned.

Sponsorship turnover, including royalties are recognised over the duration of their respective contracts. Merchandising, travel and catering turnover, included within Commercial turnover, are recognised on an earned basis. Executive box rentals are recognised over the duration of their contracts.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.9 Leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Pensions

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

Certain of the Company's employees and ex-employees are members of the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the Company is one of a number of participating employers in FLLPLAS it is not possible to identify the Company's share of the individual assets and liabilities within the scheme. However, the actuarial surplus or deficit is estimated and a provision is made for any unfunded obligation with any payments made being deducted from the outstanding balance. The assets of the scheme are held separately from those of the Group, being invested with insurance companies. Further details are set out in note 25.

2.12 Borrowing costs

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

2.13 Current and deferred taxation

The taxation expense represents the sum of tax currently payable or recoverable and deferred taxation, and takes into account adjustments for prior periods.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is measured on an undiscounted basis.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.15 Intangible assets - players' registrations

The costs associated with the acquisition of players' registrations are capitalised as an intangible asset at the date of acquisition and are amortised over the period of the respective player's contract, including extensions there to.

Liability in respect of contingent appearance fees is recognised where the directors consider the likelihood of a player meeting future appearance criteria, laid down in the transfer agreement of that player, to be probable.

Internally generated intangible assets are held at £Nil value. Any external costs incurred in extensions to a player's original contract are capitalised and amortised over the period of the player's extended contract.

The profit or loss arising out of the disposal of players' registrations represent the difference between the consideration receivable, net of any transaction costs, and the unamortised cost of the intangible asset.

2.16 Players' signing-on fees and loyalty payments

Signing-on fees payable to players and loyalty payments, which are payable only if the player is still in employment with the Group, are recognised in staff costs included within administrative expenses as incurred.

2.17 Tangible assets

Tangible assets are stated at historical purchase cost less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs directly attributable with the purchase of the asset.

Depreciation is calculated on a reducing balance basis to write down the assets to their estimated residual value over the anticipated useful lives, which are re-assessed on a periodic basis, at the following annual rates:

Freehold land	– Nil
Freehold buildings	– 2 - 8%
Short leasehold property	– 10%
Plant and equipment	– 10 - 33%

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.18 Impairment of tangible and intangible assets

At each Balance Sheet date, the Group reviews the carrying amounts of its tangible and intangible assets as included in cash generating units 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. The recoverable amount is the higher of fair value less costs to sell and the value in use. Any impairment loss is recognised immediately as an expense.

2.19 Investments

The Company's investments in subsidiaries are stated at cost less any impairment provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

2.20 Debtors

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

2.21 Cash at bank and in hand

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.22 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.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

2 Accounting policies (continued)

2.23 Financial instruments

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risk and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and amounts due to fellow group companies 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.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.24 Share capital and distributions to equity holders

Ordinary shares are classified as equity. Dividends and other distributions to the Group's shareholders is recognised as a liability in the financial statements in the period in which the dividend and other distributions are approved by the shareholders.

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

3 Judgements in applying accounting policies and key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. The directors consider there are no critical accounting judgements made in applying the Group's accounting policies.

a) Intangible fixed assets - players' registrations

The costs associated with the acquisition of players' registrations are capitalised as an intangible fixed asset at the date of acquisition and are amortised over the period of the respective player's contract, including extensions thereto.

Liability in respect of contingent appearance fees is recognised Where the directors consider the likelihood of a player meeting future appearance criteria, laid down in the transfer agreement of that player, to be probable.

The assessment of when contingent fees become probable is an estimate that may give rise to a material change in the value of capitalised player registrations.

Contingent liabilities are detailed in note 24.

4 Turnover

The Group's turnover is analysed into its four main components as follows:

	2023 £000	2022 £000
Gate receipts	18,777	16,063
Broadcasting	152,556	123,211
Sponsorship	16,303	12,703
Commercial	30,058	26,422
	217,694	178,399

The constituents of each component are as follows:

- Gate receipts - Revenues generated from the sale of match tickets.
- Broadcasting - Distributions from the FA Premier League and English Football League broadcasting agreements, including the merit award, cup competition broadcasting rights and local radio broadcasting.
- Sponsorship - Major sponsorship contracts and club partnership agreements.
- Commercial - Merchandising, royalties, conference and banqueting, fees received for the loan of players' registrations (included within player transactions) and all other revenue sources.

The Group has one main business segment, that of professional football operations, and one main geographical segment, which is the United Kingdom, therefore no further segmental information is provided.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

5 Other operating income

	2023	2022
	£000	£000
Insurance claims receivable	–	250

In the prior year, Insurance claims relate to claims made against the Club's business interruption insurance policy due to disruption caused by the COVID pandemic.

6 Exceptional operating expenses

	2023	2022
	£000	£000
Exceptional items - impairment of amounts due to the Group relating to liabilities arising on retention of premier league status	–	10,000

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

7 Operating expenses

Operating expenses comprise:

	2023	(Restated*) 2022
	£000	£000
Depreciation of tangible assets	4,009	3,481
Amortisation of players' registrations	92,519	82,535
Total depreciation and amortisation	96,528	86,016
Staff costs (see note 8)	194,236	137,044
Other operating charges (including exceptional costs)	66,417	51,809
	357,181	274,869

	2023	2022
	£000	£000
Other operating charges are stated after (crediting)/charging:		
Profit on disposal of fixed assets	(9)	(13)
Community development expenditure	4,031	3,400
Youth development expenditure	14,429	13,960
Women's football expenses	4,418	2,987
Lease expense	2,600	2,600
Exceptional administrative expenses (see note 6)	–	10,000
Auditor's remuneration - audit of the Group's financial statements	105	74
- audit related assurance services	21	19
- accounts preparation services	–	10
- tax services (compliance)	31	30
- tax services (advisory)	18	–

Audit fees includes Company audit fees of £7,000 (2022: £5,625).

The audit fee for the Company was borne by another group company in both financial years.

* Restatement due to change in presentation to better align with format two of Companies Act 2006. This will give more relevant information to the readers of the financial statements regarding the costs by nature. In the prior year, the Company classified £182.3m as administrative expenses and £10.0m as exceptional administrative expenses and this has moved into operating expenses.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

8 Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2023 £000	Group 2022 £000
Wages and salaries	168,892	119,037
Social security costs	24,576	17,369
Other pension costs (note 25)	768	638
	194,236	137,044

The average monthly number of persons including the directors, that were employed by the Group during the year was as follows:

	2023 Number	2022 Number
Players, football management and coaches	254	231
Commercial, merchandising and operations and foundation	218	191
Maintenance and administration	89	83
Part-time employees on match days and other events	465	437
	1,026	942

The Company does not have any employees (2022: none).

9 Directors' remuneration

	2023 £000	2022 £000
Directors' aggregate remuneration	1,121	1,075

During the year retirement benefits were accruing to no directors (2022: none) in respect of defined money purchase schemes.

The highest paid director received remuneration of £1.1m (2022: £1.1m).

The director also received a total BIK of £0.02m (2022: £0.02m) during the year.

All of the directors are remunerated in relation to their services to the Group by a subsidiary company and none of the directors received remuneration in relation to their service to the Company.

Key management personnel are considered to be the statutory directors of the Company.

10 Interest receivable and similar income

	2023 £000	2022 £000
Interest receivable	794	794

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

11 Interest payable and similar expenses

	2023	2022
	£000	£000
Bank interest payable	1,667	282
Other interest payable	2,411	1,316
	4,078	1,598

12 Tax on (loss)/profit

	2023	2022
	£000	£000
Corporation tax		
Current tax on (loss)/profit for the financial year	(361)	(12)
Adjustments in respect of prior years	(300)	97
Total current tax	(661)	85
Deferred tax		
Origination and reversal of timing differences	31	97
Adjustments in respect of prior years	(31)	(97)
Total deferred tax	–	–
Total tax	(661)	85

Factors affecting the tax (credit)/charge for the year

The tax assessed for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 20.00% (2022: 19.00%). The differences are explained below:

	2023	2022
	£000	£000
(Loss)/profit before taxation	(120,309)	421
(Loss)/profit before taxation multiplied by standard rate of corporation tax in the UK of 20.00% (2022: 19.00%)	(24,062)	80
Effects of:		
Expenses not deductible for tax purposes	381	2,196
Income not taxable	(164)	(94)
Movement in unprovided deferred tax	23,515	(2,097)
Adjustments in respect of prior years	(331)	–
Total tax (credit)/charge for the financial year	(661)	85

The rate of 20% is a combination of 10 months at 19% and 2 months at 25%.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

12 Tax on (loss)/profit (continued)

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 (published on 24 May 2021, with royal assent received on 10 June 2021). This confirmed an increase to the corporation tax rate to 25% with effect from 1 April 2023. Deferred taxes at the Balance Sheet date have been calculated based on the corporation tax rate of 25% that is enacted at the reporting date.

13 Intangible assets

Group

	Players' registrations £000
Cost	
At 1 June 2022	449,884
Additions	63,679
Disposals	(78,471)
At 31 May 2023	435,092
Accumulated amortisation	
At 1 June 2022	162,382
Charge for the year	92,519
Disposals	(48,587)
At 31 May 2023	206,314
Net book value	
At 31 May 2023	228,778
At 31 May 2022	287,502

The Company does not have any intangible fixed assets (2022: £Nil).

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

14 Tangible assets

Group	Freehold land and buildings £000	Leasehold land and buildings £000	Plant and equipment £000	Total £000
Cost				
At 1 June 2022	90,900	201	35,808	126,909
Additions	193	–	13,179	13,372
Disposals	–	–	(5,910)	(5,910)
At 31 May 2023	91,093	201	43,077	134,371
Accumulated depreciation				
At 1 June 2022	56,332	40	25,311	81,683
Charge for the year	1,018	2	2,989	4,009
Disposals	–	–	(5,910)	(5,910)
At 31 May 2023	57,350	42	22,390	79,782
Net book value				
At 31 May 2023	33,743	159	20,687	54,589
At 31 May 2022	34,568	161	10,497	45,226

Freehold land and buildings includes freehold land amounting to £5.1m (2022: £5.1m) which has not been depreciated.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

15 Investments

Company

	Investments in subsidiary companies £000
Cost	
At 1 June 2022	324,157
At 31 May 2023	324,157
Accumulated impairment	
At 1 June 2022	318,079
At 31 May 2023	318,079
Net book value	
At 31 May 2023	6,078
At 31 May 2022	6,078

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Aston Villa Limited	Villa Park, Birmingham, B6 6HE	Holding company	Ordinary	100%
Aston Villa Football Club Ltd*	Villa Park, Birmingham, B6 6HE	Commercial operations	Ordinary	100%
Aston Villa FC Limited*	Villa Park, Birmingham, B6 6HE	Professional football club	Ordinary	100%
Aston Villa Women's Football Club Limited*	Villa Park, Birmingham, B6 6HE	Ladies football club	Ordinary	100%
Aston Villa Foundation*	Villa Park, Birmingham, B6 6HE	Community activities	Limited by guarantee	–
Aston Villa Social Ent. CIC*	Villa Park, Birmingham, B6 6HE	Community activities	Ordinary	100%

* Indirectly held.

The results of the subsidiary undertakings have been consolidated in the Group financial statements. The directors believe that the carrying value of the investments is supported by their underlying net assets.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

16 Debtors

	Group	Group	Company	Company
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade debtors	15,225	12,827	–	–
Amounts owed by group undertakings	4,972	3,999	501,549	378,049
Other debtors	39	66	–	–
Other loans receivable	61,500	61,500	–	–
Tax recoverable	661	429	–	–
Prepayments and accrued income	12,305	9,491	–	–
	94,702	88,312	501,549	378,049

Debtors are stated after provisions for impairment of £Nil (2022: £Nil).

Trade debtors and other debtors are measured at amortised cost.

Other loans receivable are unsecured, repayable on demand and bear interest at rates ranging from 0% to 2%.

Amounts owed by group undertakings are unsecured, no interest bearing and repayable on demand.

Prepayments and accrued income are made up of £7.0m of prepayments held for costs relating 23/24 season.

17 Cash at bank and in hand

	Group	Group
	2023	2022
	£000	£000
Cash at bank and in hand	10,545	2,207
Less: Bank overdrafts	–	(17,584)
	10,545	(15,377)

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

18 Creditors: amounts falling due within one year

	Group 2023 £000	Group 2022 £000
Bank loans and overdrafts	–	17,584
Trade creditors	78,841	91,250
Amounts owed to group undertakings	45,764	43,164
Taxation and social security	18,876	13,270
Other creditors	1,496	1,313
Accruals and deferred income	49,075	35,874
	194,052	202,455

Amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand.

Trade creditors, amounts owed to group undertakings and other creditors are measured at amortised cost.

The overdraft is secured against future Premier League Central Funds, with interest at 2.5% over Bank of England base rate and is repayable on demand.

Deferred income includes £22.0m (2022: £10.8m) related to Season Ticket, Sponsorship and Hospitality revenue for the 23/24 season with the remaining balanced being accrued costs in the 22/23 season awaiting settlement.

19 Creditors: amounts falling due after more than one year

	Group 2023 £000	Group 2022 £000
Trade creditors	47,299	77,381

Trade creditors relate to transfer fees due after more than one year.

20 Deferred taxation

There is an unprovided deferred tax asset of £167.2m (2022: £133.8m) in respect of tax losses carried forward in the Group, fixed assets and temporary timing differences, and an unprovided deferred tax asset of £4.7m (2022: £4.7m) in the Company. No deferred tax asset will be recognised until the directors assess that these losses can be utilised with reasonable certainty.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

21 Financial instruments

	Group	Group	Company	Company
		(Restated*)		
	2023	2022	2023	2022
	£000	£000	£000	£000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	81,736	78,391	501,549	378,049
Financial liabilities				
Financial liabilities measured at amortised cost	(200,433)	(255,760)	–	–

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and other loans receivable.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, other creditors and accruals.

* The prior year has been restated to exclude prepayments and accrued income and deferred income as these are not classified as financial instruments.

22 Called up share capital

	2023	2022
	£000	£000
Allotted, called up and fully paid		
325,687,691 (2022: 325,687,691) Ordinary shares of £1 (2022: £1) each	325,688	325,688

23 Reserves

Capital contribution reserve

The capital contribution reserve represents contributions received from shareholders that have been recognised directly in equity.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Group.

24 Contingent liabilities and commitments

The terms of certain contracts with other football clubs in respect of the acquisition of players' registrations include the payment of additional amounts upon the fulfilment of specific conditions in the future. The maximum unprovided liability which may arise in respect of these players at 31 May 2023 is £61.5m (2022: £59.6m). The nature of these contingent liabilities means that an estimation of timings is not practicable as they relate to the events which have no definitive timing.

NSWE SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2023

25 Retirement benefit schemes

Certain members of the Group's staff are members of either the Football League Limited Players' Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the Company is one of a number of participating employers in the scheme, it is not possible to allocate any actuarial surplus or deficit on an annual basis. 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's ex-employees who are members of the scheme. The Scheme Actuary finalised a full valuation as at 1 September 2020 and allocated £453,794 as the Club's share of the deficit. The deficit is funded by annual contributions. The balance outstanding at the year-end date is included in other creditors. The Club has made contributions of £0.1m in the year (2022: £0.1m). The assets of the scheme are held separately from those of the Company.

At the year end, the amount outstanding in relation to the defined contribution schemes was £0.1m (2022: £0.05m).

Contributions are also paid into individuals' private pension schemes. The total contributions across all schemes during the year amounted to £0.8m (2022: £0.6m). At the end of the year contributions of £0.1m (2022: £0.1m) were outstanding.

26 Analysis of Net Debt

	At 1 June 2022 £000	Cash flows £000	At 31 May 2023 £000
Cash at bank and in hand	2,207	8,338	10,545
Bank overdrafts	(17,584)	17,584	–
	(15,377)	25,922	10,545

27 Commitments under operating leases

At 31 May 2023 there are no leases in the Company. At 31 May 2023 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £000	Group 2022 £000
Not later than 1 year	2,600	2,600
Later than 1 year and not later than 5 years	2,600	5,200
	5,200	7,800

NSWE SPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2023

28 Related party transactions

The Company has taken advantage of the exemption under FRS 102 p33.2 from the provisions of not to disclose transactions with other entities that are wholly owned subsidiaries of NSWE UK Limited.

At the year end, the Group had loans receivable of £56,700,000 (2022: £56,700,000) due from NSWE Stadium Limited and £4.8m (2022: £4.8m) due from 1874 Developments Ltd, both a companies with common ultimate beneficial ownership. The Group paid rent of £2.6m to NSWE Stadium Limited (2022: £2.6m) and received interest from NSWE Stadium Limited of £0.8m (2022: £0.8m).

During the year New Malden Golf Centre provided £0.02m (2022: £Nil) of services to the Club, for which Christian Purslow is a Director.

Amounts owed by group undertakings totalling £3.3m consist of £0.9m debtors with 1874 Developments Limited and £2.4m debtors with NSWE Stadium Limited whilst amounts due to group undertaking totalling £43.2m consist of £34.0m creditors with Recon Group UK Limited, £7.7m creditors with NSWE Stadium Limited and £1.5m creditors with NSWE UK Limited.

29 Post balance sheet events

Since the Balance Sheet date various players have been bought and sold.

The net income of these transfers taking into account the applicable levies and sell on clauses, is £40.3m (2022: £47.9m). The net cost of these transfers and staff changes, taking into account the applicable levies, is £67.9m (2022: £63.4m). These transfers will be accounted for in the year ending 31 May 2024.

The Group has drawdown £60m since year-end from a bridging facility with its ultimate parent, V Sports S.C.S.

Christian Purslow left his position as CEO and statutory director on 12 June 2023.

30 Ultimate parent undertaking and controlling party

At 31 May 2023 the directors consider V Sports S.C.S, registered in Luxembourg to be the Company's controlling party and ultimate parent undertaking.

The immediate parent undertaking is NSWE UK Limited. The largest group to consolidate these financial statements is NSWE UK Limited and the smallest group to consolidate these financial statements is NSWE Sports Limited. Copies of these consolidated financial statements of NSWE UK Limited and NSWE Sports Limited can be obtained from their registered address at Villa Park, Birmingham, West Midlands, B6 6HE.