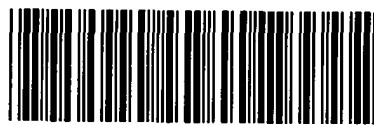


AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019
FOR
HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED

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**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2019**

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**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2019**

DIRECTORS:

L Gray
D R Macdonald
A Maitland
C C McGowan
J Brown
DP Doherty
S Zengin

REGISTERED OFFICE:

New Douglas Park
Hamilton
Lanarkshire
ML3 0FT

REGISTERED NUMBER:

SC005420 (Scotland)

AUDITORS:

McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED (REGISTERED NUMBER: SC005420)**

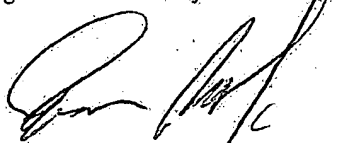
**BALANCE SHEET
30 JUNE 2019**

	Notes	30.6.19 £	30.6.18 £
FIXED ASSETS			
Tangible assets	4	531,334	577,848
CURRENT ASSETS			
Debtors	5	1,028,381	1,501,757
Cash at bank and in hand		67,828	120,431
		<u>1,096,209</u>	<u>1,622,188</u>
CREDITORS			
Amounts falling due within one year	6	<u>447,464</u>	<u>635,139</u>
NET CURRENT ASSETS		<u>648,745</u>	<u>987,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,180,079</u>	<u>1,564,897</u>
CREDITORS			
Amounts falling due after more than one year	7	(360,567)	(404,303)
PROVISIONS FOR LIABILITIES		<u>(19,941)</u>	<u>(84,117)</u>
NET ASSETS		<u><u>799,571</u></u>	<u><u>1,076,477</u></u>
CAPITAL AND RESERVES			
Called up share capital		573,757	573,757
Retained earnings		<u>225,814</u>	<u>502,720</u>
SHAREHOLDERS' FUNDS		<u><u>799,571</u></u>	<u><u>1,076,477</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 May 2020 and were signed on its behalf by:


C C McGowan - Director

The notes form part of these financial statements

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales related tax.

Gate receipts and other matchday turnover are recognised in line with when the games are played. Prize money in respect of cup competitions is recognised when earned. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting income is recognised over the course of the football season, whilst facility fees received for highlights or live coverage are taken when earned. Merit awards related to final league position are only accounted for when known at the end of the football season.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold Improvements	- 10% on cost
Plant & machinery	- 15% on reducing balance
Fixtures & fittings	- 10% on cost
Motor vehicles	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Player registrations

The directors have considered the FRS 102 Section 1A accounting standard in respect of the valuation of intangible assets, including football players registrations. FRS 102 Section 1A requires intangible assets to be incorporated into the balance sheet and amortised over their useful life.

The directors, given the present stage of the development of the club and the market in which it operates, do not consider it prudent to recognise the value of player registrations at this time.

Interest free loans from related parties

Loans provided to/from the company to/from related parties in the period have been made under no formal agreement. The directors have provided these loans on an interest free basis and are repayable on demand.

Going concern

The current and future cash position of the Club has been reviewed by the board. This included a review of cashflow projections and other relevant documentation, covering a period one year from the date of approval of the financial statements.

At present, based on the current league standing, the club is in a position that will preserve its Premiership league status. However, if the Club were to be relegated the board are satisfied that the parachute payment receivable for the Club's first season in the Championship will be sufficient to meet its existing obligations.

After due consideration of the above, including the potential impact should anticipated football performance not materialise, and having obtained appropriate assurances, the Board is satisfied that there is a reasonable expectation that the Club will have adequate resources to continue in operational existence for the foreseeable future. The directors are willing to support the club with a monetary injection if it is required. Accordingly, the board considers it appropriate to prepare the financial statements on a going concern basis.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 64 (2018 - 55).

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

4. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Plant & machinery £	Fixtures & fittings £
COST			
At 1 July 2018	115,150	578,143	54,720
Additions	-	45,600	-
Disposals	-	-	(6,400)
At 30 June 2019	115,150	623,743	48,320
DEPRECIATION			
At 1 July 2018	17,316	148,116	15,048
Charge for year	11,515	69,064	5,472
Eliminated on disposal	-	-	(2,400)
At 30 June 2019	28,831	217,180	18,120
NET BOOK VALUE			
At 30 June 2019	86,319	406,563	30,200
At 30 June 2018	97,834	430,027	39,672

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2018	13,500	3,549	765,062
Additions	-	-	45,600
Disposals	-	-	(6,400)
At 30 June 2019	13,500	3,549	804,262
DEPRECIATION			
At 1 July 2018	5,002	1,732	187,214
Charge for year	1,700	363	88,114
Eliminated on disposal	-	-	(2,400)
At 30 June 2019	6,702	2,095	272,928
NET BOOK VALUE			
At 30 June 2019	6,798	1,454	531,334
At 30 June 2018	8,498	1,817	577,848

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.19 £	30.6.18 £
Trade debtors	325,529	389,123
Other debtors	702,852	1,112,634
	1,028,381	1,501,757

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	30.6.19	30.6.18
	£	£
Bank loans and overdrafts	56,862	73,188
Trade creditors	118,183	269,983
Taxation and social security	85,331	88,619
Other creditors	187,088	203,349
	<u>447,464</u>	<u>635,139</u>
7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	30.6.19	30.6.18
	£	£
Bank loans	336,300	376,836
Other creditors	24,267	27,467
	<u>360,567</u>	<u>404,303</u>
8. LEASING AGREEMENTS		
Minimum lease payments under non-cancellable operating leases fall due as follows:	30.6.19	30.6.18
	£	£
Within one year	65,940	60,000
Between one and five years	82,275	120,000
	<u>148,215</u>	<u>180,000</u>
9. SECURED DEBTS		
The following secured debts are included within creditors:	30.6.19	30.6.18
	£	£
Bank loans	393,162	450,024
Credit card	10,000	10,000
	<u>403,162</u>	<u>460,024</u>

A personal guarantee has been provided by R MacDonald and director L Gray in respect of the credit card facility.

AIB UK PLC have a floating charge over the assets of the company. A personal guarantee has been provided by R MacDonald for £150,000 in respect of the loan facility.

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was qualified on the following basis:

Basis for disclaimer of opinion

In seeking to form an opinion on the financial statements we considered the implications of the significant uncertainties concerning the following:-

1. Due to the uncertainty surrounding professional football clubs as a result of the COVID-19 pandemic, the 2019/20 season currently on hold and no current guidance provided from the Scottish Professional Football League as to how and when the season will be concluded due to the Scottish Government imposed lockdown restrictions in place. This may cast a significant doubt about the company's ability to continue as a going concern.

Matters required to report by exception

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

Nicholas Dott CA (Senior Statutory Auditor)
for and on behalf of McDaid & Partners

**HAMILTON ACADEMICAL FOOTBALL CLUB
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019**

11. RELATED PARTY DISCLOSURES

Edencrest Limited, the controlling party of the company, have a 55% shareholding in Deeka Limited, who own 100% of the share capital of HAFC Stadium Limited. During the year Hamilton Academical Football Club Limited incurred rental charges for the use of the stadium on match days of £60,000 (2018 £60,000).

Clean & Green Solutions Limited is a company which director C C McGowan is also involved in as a director. During the year the company received sponsorship income of £25,750 (2018 £nil) and incurred stadium maintenance costs of £nil (2018 £26,500). Included within other creditors is a balance due to the company of £nil (2018 £80,000).

Hawkhead Developments Ltd is a company which director C C McGowan is also involved in as a director. During the year Hamilton Academical Football Club Limited incurred stadium maintenance costs of £4,950 (2018 £6,600).

Robert Cullen Limited is a company which directors' A Maitland and D R MacDonald are also involved in as directors'. During the year Hamilton Academical Football Club Limited received sponsorship income of £750 (2018 £nil) and incurred stadium maintenance costs of £8,959 (2018 £nil).

Active Access Limited is a company which director S Zengin is also involved in as a director. During the year Hamilton Academical Football Club Limited received sponsorship income of £1,625 (2018 £16,625) and hospitality income of £2,801 (2018 £nil).

ZLG (UK) Limited is a company which director S Zengin is also involved in as a director. During the year Hamilton Academical Football Club Limited received sponsorship income of £nil (2018 £8,300).

Euro Mechanical Handling Limited is a company which director S Zengin is also involved in as a director. During the year Hamilton Academical Football Club Limited received sponsorship income of £109,000 (2018 £nil).

Joint Venture scaffolding Limited is a company which director S Zengin is also involved in as a director. During the year Hamilton Academical Football Club Limited received sponsorship income of £750 (2018 £nil).

Life Skills Centres Limited is a company which director J Brown is also involved in as a director. During the year Hamilton Academical Football Club Limited received sponsorship income of £750 (2018 £nil) and received share of services income of £8,233 (2018 £nil).

Included within other debtors is a balance due from HAFC Stadium Limited of £286,871 (2018 £286,871).

Included within other debtors is a balance of £nil (2018 £209,150) due from Edencrest Limited, a connected company by virtue of being the controlling party.

12. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Edencrest Limited, who share the same registered office as the company and this can be found on the company information page.