

Audited Financial Statements for the Year Ended 31 May 2020

for

Falkirk Football and Athletic Club  
Ltd. (The)

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for the Year Ended 31 May 2020

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Falkirk Football and Athletic Club  
Ltd. (The) (Registered number: SC005854)

Balance Sheet  
31 May 2020

	Notes	31.5.20 £	31.5.19 £
<b>FIXED ASSETS</b>			
Tangible assets	4	179,586	224,725
Investments	5	<u>1,364,559</u>	<u>1,411,609</u>
		<u>1,544,145</u>	<u>1,636,334</u>
<b>CURRENT ASSETS</b>			
Stocks		35,173	5,585
Debtors	6	80,584	109,029
Cash at bank		<u>620,650</u>	<u>135,541</u>
		736,407	250,155
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(277,383)</u>	<u>(202,543)</u>
<b>NET CURRENT ASSETS</b>		<u>459,024</u>	<u>47,612</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,003,169	1,683,946
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	<u>(49,167)</u>	<u>-</u>
<b>NET ASSETS</b>		<u>1,954,002</u>	<u>1,683,946</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		1,211,475	1,211,475
Share premium		518,713	518,713
Capital redemption reserve		81,602	81,602
Retained earnings		<u>142,212</u>	<u>(127,844)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>1,954,002</u>	<u>1,683,946</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 17 September 2020 and were signed on its behalf by:

Mr G A Deans - Director

Notes to the Financial Statements  
for the Year Ended 31 May 2020

1. **STATUTORY INFORMATION**

Falkirk Football and Athletic Club Ltd. (The) is a private company, limited by shares, domiciled in Scotland, registration number SC005854. The registered office is The Falkirk Stadium, Westfield, Falkirk, Stirlingshire, FK2 9DX.

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.

**Preparation of consolidated financial statements**

The financial statements contain information about Falkirk Football and Athletic Club Ltd. (The) as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Going concern**

The Board of Directors have reviewed the future financial position of the company by preparing detailed cash flow forecasts to the end of season 2020/21. It is the Board's view that there will be adequate funding in place to cover all known liabilities as they fall due until the end of the season. The Board has taken into account uncertainties surrounding income from match day income with respect to Covid-19 regulations that can change abruptly, and there are various actions that can be taken to reduce costs should forecasted income be lower than expected.

As with most football clubs, income is front loaded to the start of the financial year and with minimal structured debt, and creditors paid in a timely fashion, this allows Falkirk Football and Athletic Club Limited to prepare a budget for 2021/22 based on expected income for the following season regardless of which league the club is in, and cut or increase squad and other costs as appropriate.

Therefore it is the directors' assessment that the financial statements can be prepared on a going concern basis.

**Turnover**

Turnover represents the total invoice and receipts value, excluding value added tax, of providing football entertainment and related activities to the general public during the year. Turnover is recognised as and when the product or service has been delivered to the customer.

**Tangible fixed assets and depreciation**

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

Long leasehold	- 4% on cost and 2.5% on cost
Fixtures and fittings	- 25% on cost
Artificial pitch	- 10% on cost

Tangible fixed assets are stated at cost less depreciation. Cost represent purchase price together with any incidental costs of acquisition.

The directors have considered the residual value of all tangible fixed assets to be immaterial and therefore all tangible fixed assets are depreciated to nil value.

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition.

**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.

**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.

**Valuation of playing squad**

The Directors have considered accounting standards which were issued by the Accounting Standards Board and apply to these accounts, in respect of the valuation of intangible assets to be incorporated into the Balance Sheet, including players. However, at the present stage of development of the Club, the Directors do not consider it prudent to recognise this value in the Balance Sheet at this time. The Directors will reconsider this position in the future.

**Investments**

Investments are recognised at purchase price less any recognised impairment. Investment value of loan stock is written down in line with depreciation of the fixed assets held in the 100% subsidiary, Falkirk FC (Property) Limited.

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Financial Statements - continued  
 for the Year Ended 31 May 2020

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 39 (2019 - 50 ) .

4. **TANGIBLE FIXED ASSETS**

	Long leaschold £	Fixtures and fittings £	Artificial pitch £	Totals £
<b>COST</b>				
At 1 June 2019	105,608	76,240	326,717	508,565
Disposals	-	(24,697)	-	(24,697)
At 31 May 2020	<u>105,608</u>	<u>51,543</u>	<u>326,717</u>	<u>483,868</u>
<b>DEPRECIATION</b>				
At 1 June 2019	53,027	43,656	187,157	283,840
Charge for year	4,224	8,243	32,672	45,139
Eliminated on disposal	-	(24,697)	-	(24,697)
At 31 May 2020	<u>57,251</u>	<u>27,202</u>	<u>219,829</u>	<u>304,282</u>
<b>NET BOOK VALUE</b>				
At 31 May 2020	<u>48,357</u>	<u>24,341</u>	<u>106,888</u>	<u>179,586</u>
At 31 May 2019	<u>52,581</u>	<u>32,584</u>	<u>139,560</u>	<u>224,725</u>

5. **FIXED ASSET INVESTMENTS**

	31.5.20 £	31.5.19 £
Shares in group undertakings	104	104
Loans to group undertakings	<u>1,364,455</u>	<u>1,411,505</u>
	<u>1,364,559</u>	<u>1,411,609</u>

Additional information is as follows:

	Shares in group undertakings £
<b>COST</b>	
At 1 June 2019 and 31 May 2020	<u>104</u>
<b>NET BOOK VALUE</b>	
At 31 May 2020	<u>104</u>
At 31 May 2019	<u>104</u>

Notes to the Financial Statements - continued  
 for the Year Ended 31 May 2020

5. **FIXED ASSET INVESTMENTS - continued**

	Loans to group undertakings £
At 1 June 2019	1,411,505
Write-down in year	(47,050)
At 31 May 2020	<u>1,364,455</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.20 £	31.5.19 £
Trade debtors	22,373	36,063
Other debtors	9,803	14,519
Prepayments and accrued income	48,408	58,447
	<u>80,584</u>	<u>109,029</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.20 £	31.5.19 £
Bank loans and overdrafts	833	-
Trade creditors	77,872	97,729
Amounts owed to group undertakings	9,646	104
Tax	33	33
Social security and other taxes	41,815	29,230
VAT	38,364	3,671
Other creditors	6,418	8,170
Accruals and deferred income	102,402	63,606
	<u>277,383</u>	<u>202,543</u>

Included in creditors is £84,918 of deferred income related to season 2020/21 (2019: £38,566).

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.5.20 £	31.5.19 £
Bank loans - 1-2 years	10,000	-
Bank loans - 2-5 years	30,000	-
Bank loans more 5 yr by instal	9,167	-
	<u>49,167</u>	<u>-</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>9,167</u>	<u>-</u>

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued**

An unsecured £50,000 loan was taken out in May 2020 under the Bounce Back Loan Scheme. This is government backed and interest is paid by the government for the first year, with 2.5% charged annually thereafter. No capital payments are due until May 2021 and the loan will be repaid in equal capital tranches across 5 years, with the final payment in April 2026.

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

The Report of the Auditors was unqualified.

David Wheeler (Senior Statutory Auditor)  
for and on behalf of Drummond Laurie CA

**10. RELATED PARTY DISCLOSURES**

The company paid rent of £75,000 (2019: £75,000) to South Stand Development Company Limited, a company in which shareholder Sandy Alexander is a director. There is a balance of £nil (2019: £22,500) due to South Stand Development Company Limited at the year end.

Payments in the year totalling £13,300 (2019: £3,100) were made to Property Place Falkirk Ltd, a company owned by Alexander Miller, in relation to rent costs.



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