

The National Stadium Plc

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number SC158083



The National Stadium Plc

Company Information

Directors	I G Maxwell M Mulraney
Company secretary	G A Booth
Registered number	SC158083
Registered office	Hampden Park Glasgow G42 9AY
Independent auditors	BDO LLP 2 Atlantic Square 31 York Street Glasgow G2 8NJ

The National Stadium Plc

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The National Stadium Plc

Strategic Report For the Year Ended 31 December 2022

The directors present their Strategic Report together with the audited financial statements for the year ended 31 December 2022.

Business review

The Scottish Football Association Limited acquired the share capital of the company from Queen's Park Football Club in 2020.

The company has no ongoing trading activities.

The company is responsible for ensuring its debenture holders receive their entitled benefits which are primarily connected to events at Hampden Park stadium.

The administration of the company's debenture scheme was transferred to the new parent company, Scottish Football Association Limited on 1st August 2020. The Association bears the costs of administering the scheme.

The company finances its current limited operations through its ultimate parent company.

The directors have decided not to recommend the payment of a dividend (2021 - £Nil).

Principal risks and uncertainties

In order to repay the debenture holders in due course, the company will require repayment of the intercompany debt due from its ultimate parent company, The Scottish Football Association Limited.

Future developments

As explained within the Business Review the company is responsible for ensuring its debenture holders receive their entitled benefits which are primarily connected to events at the Hampden Park stadium. The management of the company's debenture scheme will continue to be administered by The Scottish Football Association Limited.

Key performance indicators

As the company has no ongoing trading activities, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the performance or position of the company.

This report was approved by the board on 10 May 2023 and signed on its behalf.



I G Maxwell
Director

The National Stadium Plc

Directors' Report For the Year Ended 31 December 2022

The directors present their report together with the audited financial statements for the year ended 31 December 2022.

Principal activity

The company continues to have no ongoing trading activities, with its principal purpose being the holding of Hampden Park Stadium debentures, and ensuring its debenture holders receive their entitled benefits which are primarily connected to events at the Hampden Park Stadium.

Dividends

The directors have decided not to recommend the payment of a dividend (2021 - £Nil).

Directors

The directors who served during the year were:

I G Maxwell
M Mulraney

Going concern

The financial statements have been prepared on a going concern basis. In making this assessment the directors have considered their ability to manage the company's working capital requirements and meet the company's debts as they fall due against known risks.

The directors have considered the circumstances on the company's ability to continue as a going concern and its ability to realise its assets and discharge its liabilities in the ordinary course of business and having received a letter confirming support from our parent company, the directors have a reasonable expectation that the company has adequate resources to continue to trade on a normal basis for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

Financial risk management

As explained within the Review of Business on page 1, the company has no ongoing trading activities and therefore the directors are of the opinion the company's current operations are not exposed to financial risks.

The company finances its limited operations through its ultimate parent company.

Disclosure of information to auditors

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

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

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Directors' Report (continued) For the Year Ended 31 December 2022

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board on 10 May 2023 and signed on its behalf.



I G Maxwell
Director

The National Stadium Plc

Directors' Responsibilities Statement For the Year Ended 31 December 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The National Stadium Plc

Independent Auditors' Report to the Members of The National Stadium Plc

Opinion on the financial statements

In our opinion the financial statements:

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

We have audited the financial statements of The National Stadium Plc ("the company") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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 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.

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

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Independent Auditors' Report to the Members of The National Stadium Plc (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the director's report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

The National Stadium Plc

Independent Auditors' Report to the Members of The National Stadium Plc (continued)

Auditor's 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 auditor's 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.

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

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:

- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud and tested accordingly;
- reading minutes of management meetings and of those charged with governance and reviewing correspondence with regulatory bodies, such as HMRC, and reviewing documentation for indications of non-compliance with laws and regulations.
- assessing whether the accounting policies, treatments and presentation adopted in the financial statements is in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and whether there are instances of potential bias in areas with significant degrees of judgement such as deferred tax assets being recognised;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- vouching balances and reconciling items in management's key control account reconciliations to supporting documentation as at 31 December 2022; and
- carrying out detailed testing, on a sample basis, of material transactions, financial statement categories and balances to appropriate documentary evidence to verify the completeness, occurrence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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Independent Auditors' Report to the Members of The National Stadium Plc (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Martin Gill
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Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Glasgow
United Kingdom

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

11 May 2023

The National Stadium Plc

Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 £	2021 £
Administrative expenses		(118,435)	(52,791)
Operating loss	4	(118,435)	(52,791)
Interest receivable and similar income	6	118,435	52,791
Profit before tax		-	-
Profit for the financial year		-	-
Other comprehensive income for the year			
Total comprehensive income for the year		-	-

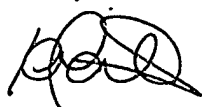
The notes on pages 13 to 18 form part of these financial statements.

The National Stadium Plc
Registered number: SC158083

Balance Sheet
As at 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Current assets					
Debtors: amounts falling due within one year	8	4,744,430		4,744,430	
Total assets less current liabilities			4,744,430		4,744,430
Creditors: amounts falling due after more than one year	9		(4,653,400)		(4,653,400)
Net assets			91,030		91,030
Capital and reserves					
Called up share capital	10		50,000		50,000
Profit and loss account	11		41,030		41,030
Total equity			91,030		91,030

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 May 2023



I G Maxwell
Director

The notes on pages 13 to 18 form part of these financial statements.

The National Stadium Plc

Statement of Changes in Equity For the Year Ended 31 December 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	50,000	41,030	91,030
Comprehensive income for the year			
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2022	50,000	41,030	91,030

Statement of Changes in Equity For the Year Ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	50,000	41,030	91,030
Comprehensive income for the year			
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2021	50,000	41,030	91,030

The notes on pages 13 to 18 form part of these financial statements.

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Statement of Cash Flows For the Year Ended 31 December 2022

	2022 £	2021 £
Profit for the financial year	-	-
Adjustments for:		
Interest received	-	-
Net cash generated from operating activities	-	-
Cash flows from investing activities		
Interest received	-	-
Net cash from investing activities	-	-
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at the end of year	-	-
Cash and cash equivalents at the end of year comprise:		
	-	-

The notes on pages 13 to 18 form part of these financial statements.

The National Stadium Plc

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

The National Stadium Plc is a public limited company, incorporated in Scotland under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity are set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. In making this assessment the directors have considered their ability to manage the company's working capital requirements and meet the company's debts as they fall due against known risks.

The directors have considered the circumstances on the company's ability to continue as a going concern and its ability to realise its assets and discharge its liabilities in the ordinary course of business and having received a letter confirming support from our parent company, the directors have a reasonable expectation that the company has adequate resources to continue to trade on a normal basis for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 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.

2.4 Cash and cash equivalents

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 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 company's cash management.

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Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.5 Creditors

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

2.6 Debenture issue costs

The costs associated with the issue of the debentures are charged to the profit and loss account on an annual basis over the minimum period remaining until the redemption of the debenture liabilities.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The National Stadium Plc

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

The directors have made no key judgements or estimates in preparing these financial statements.

4. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the annual financial statements	1,250	1,250
Management charge	118,435	52,791

Audit fees are borne by the company's parent company. The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of parent company.

5. Employees

The company has no employees other than the directors, who did not receive any remuneration (2021 - £Nil).

6. Interest receivable

	2022 £	2021 £
Interest receivable from group companies	118,435	52,791

Interest is charged on amounts owed from group companies at 1% above base rate and amounts are repayable on demand.

The National Stadium Plc

Notes to the Financial Statements For the Year Ended 31 December 2022

7. Taxation

	2022 £	2021 £
Current tax on profits for the year	-	-
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	-	-
Effects of:		
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

The National Stadium Plc

Notes to the Financial Statements For the Year Ended 31 December 2022

8. Debtors: amounts falling due within one year

	2022 £	2021 £
Amounts owed by group undertakings	4,744,421	4,744,421
Prepayments and accrued income	9	9
	<u>4,744,430</u>	<u>4,744,430</u>

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Debentures loans	<u>4,653,400</u>	<u>4,653,400</u>

Debenture loans - TBC

Class of debenture	Value £	Number authorised £	Number issued £	Total proceeds £
Gold	£3,500	969	216	£756,000
Silver	£1,750	1,842	1,340	£2,345,000
Bronze adult	£650	2,263	2,263	£1,470,950
Bronze child	£450	181	181	<u>£81,450</u>
				<u>£4,653,400</u>

The debenture loans were raised by the company in 1999 to part fund the redevelopment of Hampden Park stadium. Each of the debentures ranks pari passu with respect to voting and repayment and, save with respect to their designated seats and related benefits, without any preference or priority of one over another. The company now has the right to redeem the debentures at par and otherwise the debenture holder can request repayment on or after 20 May 2099. They are also repayable in the event of the company ceasing to trade or suffering an insolvency event. The debentures are unsecured and no interest is payable thereon.

Debenture holder benefits include the right to buy certain hospitality packages together with a ticket for a relevant match played at Hampden Park Stadium.

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
50,000 (2021 - 50,000) ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

The National Stadium Plc

Notes to the Financial Statements For the Year Ended 31 December 2022

11. Reserves

The company's capital and reserves are as follows:

Called up share capital

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

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

12. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

13. Controlling party

The immediate and ultimate parent undertaking of the company is The Scottish Football Association Limited a company limited by guarantee registered in Scotland. This is both the largest and smallest group of undertakings for which group accounts are drawn up. Those group accounts are available from Hampden Park, Glasgow, G42 9AY.