

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017  
FOR  
WREXHAM AFC LIMITED**

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for the Year Ended 30 June 2017**

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**WREXHAM AFC LIMITED**

**COMPANY INFORMATION**  
for the Year Ended 30 June 2017

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**DIRECTORS:**

M A Williams  
G G Jones

**REGISTERED OFFICE:**

c/o McLintocks  
The Coach House  
25 Rhosddu Road  
Wrexham  
LL11 1EB

**BUSINESS ADDRESS:**

Racecourse Ground  
Mold Road  
Wrexham  
LL11 2AH

**REGISTERED NUMBER:**

07698872 (England and Wales)

**AUDITORS:**

McLintocks Partnership Limited  
Chartered Accountants  
Statutory Auditors  
The Coach House  
25 Rhosddu Road  
Wrexham  
LL11 1EB

**REPORT OF THE DIRECTORS  
for the Year Ended 30 June 2017**

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The directors present their report with the financial statements of the company for the year ended 30 June 2017.

**REVIEW OF BUSINESS**

Season 2016/17

Executive Summary

The 2016/17 season was a historic first under supporters' ownership as we assumed operational control of the Racecourse Ground via a 99-year lease with Glyndwr University. Therefore, this set of financial figures is difficult to compare to prior years as this responsibility has opened opportunities in terms of increased income along with the associated expenditure and payroll costs. This inaugural season of ownership of the Racecourse Ground lease will provide a benchmark for planning going forwards.

When comparing our actual financial performance to budget approved at the WST 2016 AGM we made a profit before the deduction of depreciation and amortisation of £149,818 against a budgeted loss of £70,000.

Football Review

Our on field performance of the First Team did not meet our expectations and after a disappointing start to the campaign a decision was made to terminate the employment of Gary Mills as first team manager in October 2016. Dean Keates took caretaker charge, before assuming full control a couple of months later and stabilised our league position, which allowed the club to plan ahead for the 2017/18 campaign.

This was largely achieved during a run of 5 games from January when we accumulated 13 points from a possible 15. By this time we had exited both the FA Cup and FA Trophy at the first attempt but the activity during the January transfer window, where a number of players left and joined the club, resulted in us finishing in 13th position, eight points clear of the relegation zone.

Off the Pitch Review

With the poor performance on the field this resulted in our gate receipts from league matches finishing £109,000 behind the initial budget we had set and was one of the largest variances in our accounts. Despite the poor on field performance we did manage to grow our matchday commercial income over our previous financial year. This had a positive impact on our Stadium Income, which represents all income received from concourses, hospitality bars and non matchday events.

As this was the first time we had operational control of the stadium it was always going to be difficult to forecast income and costs and a lot of lessons have been learned when developing budgets and commercial contracts for the current season (2017/18).

We did benefit from football fortune income in the accounts, but you will notice an increase in our debtors figure on the balance sheet and this reflects the actual timing of when this income was actually received. The change in the management team resulted in a charge of £18,889 to the accounts and the intangible fixed asset investment in our web site was a result of our agreement with the Football League ending at the Financial Year-end.

**REPORT OF THE DIRECTORS  
for the Year Ended 30 June 2017**

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Thank you

The Financial Year also saw changes at Board level with Alan Watkin, Barry Horne and Don Bircham stepping down from their positions. The football club would like to place on Company record our heartfelt thanks for their assistance, advice and continued support since joining the Club Board from the outset of Supporter ownership in 2011.

Following the acquisition of the Stadium from Glyndwr University on a long term lease it became apparent that we required expertise in facility management and we were delighted that Phil Salmon accepted our invitation to join the Club Board during the Financial Year.

Finally, you can see from the Balance Sheet that the total investment made by Wrexham Supporters Trust has risen by £130,000 to just under £1,000,000 during the Financial Year following the launch of the Build the Budget initiative.

The continued goodwill of supporters never ceases to amaze the Club and we are now hopefully in a position to reward this goodwill with a sustained campaign at the correct end of the table as we look to achieve our main objective and return back to the Football League.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2016 to the date of this report.

M A Williams  
G G Jones

Both of the directors were re-elected to office on 2 July 2015.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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;

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.

**REPORT OF THE DIRECTORS  
for the Year Ended 30 June 2017**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, McLintocks Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



M A Williams - Director

26 March 2018

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WREXHAM AFC LIMITED**

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### **Opinion**

We have audited the financial statements of Wrexham AFC Limited (the 'company') for the year ended 30 June 2017 on pages eight to seventeen. 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).

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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit 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.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WREXHAM AFC LIMITED

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### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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 Report of the Directors.

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

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

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WREXHAM AFC LIMITED

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### **Our 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Timothy Mitchell FCA (Senior Statutory Auditor)  
for and on behalf of McLintocks Partnership Limited  
Chartered Accountants  
Statutory Auditors  
The Coach House  
25 Rhosddu Road  
Wrexham  
LL11 1EB

26 March 2018

**WREXHAM AFC LIMITED (REGISTERED NUMBER: 07698872)**

**INCOME STATEMENT**  
**for the Year Ended 30 June 2017**

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	Notes	2017 £	2016 £
<b>TURNOVER</b>		2,642,146	2,091,719
Cost of sales		<u>2,046,939</u>	<u>1,782,841</u>
<b>GROSS PROFIT</b>		595,207	308,878
Administrative expenses		<u>477,472</u>	<u>510,818</u>
		117,735	(201,940)
Other operating income		<u>-</u>	<u>4,809</u>
<b>OPERATING PROFIT/(LOSS)</b>	4	117,735	(197,131)
Interest payable and similar expenses		<u>13,790</u>	<u>143</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		103,945	(197,274)
Tax on profit/(loss)		<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>103,945</u>	<u>(197,274)</u>

The notes form part of these financial statements

**WREXHAM AFC LIMITED (REGISTERED NUMBER: 07698872)****BALANCE SHEET****30 June 2017**

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	Notes	2017		2016	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	5		18,871		25,794
Tangible assets	6		<u>117,266</u>		<u>119,981</u>
			136,137		145,775
<b>CURRENT ASSETS</b>					
Stocks		65,233		69,633	
Debtors	7	510,426		246,655	
Cash at bank and in hand		<u>127,877</u>		<u>96,307</u>	
		703,536		412,595	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>912,274</u>		<u>876,877</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(208,738)</u>		<u>(464,282)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(72,601)		(318,507)
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<u>30,116</u>		<u>18,155</u>
<b>NET LIABILITIES</b>			<u>(102,717)</u>		<u>(336,662)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			981,274		851,274
Retained earnings			<u>(1,083,991)</u>		<u>(1,187,936)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(102,717)</u>		<u>(336,662)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 March 2018 and were signed on its behalf by:



M A Williams - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 30 June 2017

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1. **STATUTORY INFORMATION**

Wrexham AFC Limited is a private company, limited by shares, registered in England and Wales. 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 the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is stated exclusive of value added tax, and match receipts are recognised net of payments owing to visiting clubs, the Football Association and the Football Conference.

Gate and other match day revenue is recognised over the period of the football season as games are played. Sponsorship income is recognised over the duration of the contract. Broadcasting fees are recognised when earned.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of two years.

**Player registrations**

Player registrations are amortised over the life of the individual contracts. Where registration costs are in relation to a contract expiring within the same financial year, such costs are recognised in the year of registration.

**Trademarks**

Trademarks costs are amortised evenly over their estimated useful life of 10 years.

**Website**

Website costs are amortised evenly over their estimated useful life of 5 years.

**Tangible fixed assets**

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

Improvements to property	- Straight line over the life of the lease
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 30% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 30 June 2017**

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2. **ACCOUNTING POLICIES - continued**

**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**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Deferred income**

Income from matchday activities and commercial contracts, which has been received prior to the year end in respect of future football seasons is treated as deferred income.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 268.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 June 2017

4. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging:

	2017 £	2016 £
Depreciation - owned assets	20,451	16,846
Player registrations amortisation	4,445	13,333
Trademarks amortisation	34	34
Website amortisation	<u>1,333</u>	<u>-</u>

5. INTANGIBLE FIXED ASSETS

	Goodwill £	Player registrations £	Trademarks £	Website £	Totals £
<b>COST</b>					
At 1 July 2016	443,990	50,000	340	-	494,330
Additions	-	-	-	20,000	20,000
Disposals	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>
At 30 June 2017	<u>443,990</u>	<u>10,000</u>	<u>340</u>	<u>20,000</u>	<u>474,330</u>
<b>AMORTISATION</b>					
At 1 July 2016	443,990	24,444	102	-	468,536
Amortisation for year	-	4,445	34	1,333	5,812
Eliminated on disposal	<u>-</u>	<u>(18,889)</u>	<u>-</u>	<u>-</u>	<u>(18,889)</u>
At 30 June 2017	<u>443,990</u>	<u>10,000</u>	<u>136</u>	<u>1,333</u>	<u>455,459</u>
<b>NET BOOK VALUE</b>					
At 30 June 2017	<u>-</u>	<u>-</u>	<u>204</u>	<u>18,667</u>	<u>18,871</u>
At 30 June 2016	<u>-</u>	<u>25,556</u>	<u>238</u>	<u>-</u>	<u>25,794</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 June 2017

6. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 July 2016	117,368	24,265	14,466	18,059	174,158
Additions	-	3,895	895	12,946	17,736
At 30 June 2017	<u>117,368</u>	<u>28,160</u>	<u>15,361</u>	<u>31,005</u>	<u>191,894</u>
<b>DEPRECIATION</b>					
At 1 July 2016	19,902	8,476	8,605	17,194	54,177
Charge for year	<u>9,357</u>	<u>5,261</u>	<u>3,072</u>	<u>2,761</u>	<u>20,451</u>
At 30 June 2017	<u>29,259</u>	<u>13,737</u>	<u>11,677</u>	<u>19,955</u>	<u>74,628</u>
<b>NET BOOK VALUE</b>					
At 30 June 2017	<u>88,109</u>	<u>14,423</u>	<u>3,684</u>	<u>11,050</u>	<u>117,266</u>
At 30 June 2016	<u>97,466</u>	<u>15,789</u>	<u>5,861</u>	<u>865</u>	<u>119,981</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	339,078	140,939
Amounts owed by group undertakings	19,692	-
Other debtors	2,238	2,970
Gold Bond Control Account	-	3,653
Accrued income	99,861	60,487
Prepayments	<u>49,557</u>	<u>38,606</u>
	<u>510,426</u>	<u>246,655</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 June 2017

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8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	152,113	264,251
Amounts owed to group undertakings	43,094	44,757
Social security and other taxes	18,404	24,464
VAT	99,825	82,493
Other creditors	1,829	1,121
Pensions	6,615	13,086
Deferred income (Season tickets and Sponsorship)	516,236	430,764
Accrued expenses	<u>74,158</u>	<u>15,941</u>
	<u>912,274</u>	<u>876,877</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Pensions	<u>30,116</u>	<u>18,155</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 June 2017

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10. PENSION COMMITMENTS

Wrexham Football Club ('the Club') participates in the Football League Pension and Life Assurance Scheme ('the Scheme'). The Scheme is a funded multi-employer defined benefit scheme, with 92 participating employers, and where members may have periods of service attributable to several participating employers. The Club is unable to identify its share of the assets and liabilities of the Scheme and therefore accounts for its contributions as if they were paid to a defined contribution scheme.

The last actuarial valuation was carried out at 31 August 2014 where the total deficit on the on-going valuation basis was £21.8 million. The key assumptions used to calculate the deficit at the 31 August 2014 actuarial valuation are:

Discount Rate	5.4% p.a. for the 1st 7 years, 4.4% p.a. for the following 10 years and 3.4% per annum thereafter.
RPI inflation:	3.2% p.a.
Pension Increases:	3.0% p.a. for benefits accrued prior to 6 April 1997, and 3.7% p.a. for benefits accrued after 6 April 1997.
Mortality (pre-retirement):	None
Mortality (post-retirement):	SAPS CMI 2013 2.0%

The accrual of benefits ceased within the Scheme on 31 August 1999, therefore there are no contributions relating to current accrual. The Club pays monthly contributions based on a notional split of the total expenses and deficit contributions of the Scheme.

The results of the 2014 valuation were rolled forward to 30 June 2017 on the same assumptions as detailed above, and the Club's notional share of the deficit was £30,637 (£34,285 as at 30 June 2016).

The Club currently pays total contributions of £6,350 per annum which increases at 5.0% per annum and based on the actuarial valuation assumptions detailed above, will be sufficient to pay off the deficit by 31 August 2022.

As at 30 June 2017, based on an appropriate discount rate of 1.18% per annum (1.29% per annum as at 30 June 2016), the present value of the Club's outstanding contributions (i.e. their future liability) is £36,731 (£42,418 as at 30 June 2016). This amounts to £6,615 (2016: £6,300) due within one year and £30,116 (2016: £36,118) due after more than one year and is included within other payables.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 30 June 2017

**Present Value of Defined Benefit Obligation**

	2017	2016
	£	£
Present Value of Defined Benefit Obligation	36,731	42,418

**Reconciliation of Defined Benefit Obligation**

	2017	2016
	£	£
Defined Benefit Obligation at start of year	42,418	46,627
Net Interest Charge (Unwinding of discount rate)	507	881
Club contribution (deficit contribution)	(6,300)	(6,048)
Remeasurement (changes in assumptions)	106	959
Remeasurement (change to contribution schedule)	0	0
Defined Benefit Obligation at end of year	36,731	42,418

**Income and Expenditure Impact**

	2017	2016
	£	£
Net Interest Charge (Unwinding of discount rate)	507	881
Remeasurement (changes in assumptions)	106	959
Remeasurement (change to contribution schedule)	0	0

**Assumptions**

	2017	2016
Discount Rate (based on AA Corporate Bond Yields of appropriate currency/duration)	1.18%	1.29%

The funding objective of the Trustees of the Scheme is to have sufficient assets to meet the Technical Provisions of the Scheme. In order to remove the deficit revealed at the previous actuarial valuation (dated 31 August 2014), deficit contributions are payable by all participating clubs. Payments are made in accordance with a pension contribution schedule. As the Scheme is closed to accrual, there are no additional costs associated with the accruing of members' future benefits. In the case of a club being relegated from the Football League and being unable to settle its debt then the remaining clubs may, in exceptional circumstances, have to share the deficit.

Upon the wind-up of the Scheme with a surplus, any surplus will be used to augment benefits. Under the more likely scenario of there being a deficit, this will be split amongst the clubs in line with their contribution schedule. Should an individual club leave the Scheme, they may be required to pay their share of the deficit based on a proxy buyout basis (i.e. valuing the benefits on a basis consistent with buying out the benefits with an insurance company).

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 June 2017**

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**11. RELATED PARTY DISCLOSURES**

Wrexham AFC Limited and WST Assets Limited are subsidiaries of Wrexham Football Supporters' Society Limited (trading as Wrexham Supporters Trust).

On 1 August 2016 WST Assets Limited entered into a 99 year finance lease with Wrexham Glyndwr University to lease the Racecourse football ground. The lease is guaranteed by Wrexham AFC Limited and Wrexham Football Supporters' Society Limited.

The property is being rented by WST Assets Limited to Wrexham AFC Limited at £100,000 per annum. During the year the company paid rent of £100,000 and insurance of £8,696 to WST Assets Limited. As at 30 June 2017 the company was owed £19,692 (2016: £nil) from WST Assets Limited.

As at 30 June 2017 the company owed Wrexham Football Supporters' Society Limited £43,094 (2016: £44,757).

**12. ULTIMATE CONTROLLING PARTY**

Wrexham Football Supporters' Society Limited (trading as Wrexham Supporters Trust) is the company's ultimate parent company and controlling party.

Wrexham Football Supporters' Society Limited is owned by its members and as such there is no ultimate controlling party.

**13. GOING CONCERN**

The company made a net profit for year ended 30 June 2017 but had net liabilities at the year end. The financial statements have been prepared on a going concern basis on the grounds that the company will continue to be supported financially by the Wrexham Supporters Trust for the foreseeable future.

**14. TRANSITION TO FRS 102**

This is the first year in which the financial statements have been prepared under FRS 102. No adjustments are considered necessary between the profit and loss account and balance sheet prepared under former UK GAAP with those prepared under FRS 102.

**WREXHAM AFC LIMITED (REGISTERED NUMBER: 07698872)****TRADING AND PROFIT AND LOSS ACCOUNT  
for the Year Ended 30 June 2017**

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	2017		2016	
	£	£	£	£
<b>Turnover</b>				
Gate Receipts	747,021		900,002	
Matchday Commercial Income	151,650		146,187	
Football Income	100,974		87,481	
Non Matchday Commercial Income	130,469		160,497	
Retail Income	203,243		225,609	
Transfer Fees and Prize Money	488,967		161,795	
Gold Bond	14,943		33,129	
Centre for Excellence & Glyndwr Football Academy	213,323		298,686	
Donations	68,961		22,653	
Away Travel Income	46,150		55,680	
Stadium Income	<u>476,445</u>		<u>-</u>	
		2,642,146		2,091,719
<b>Cost of sales</b>				
Matchday Costs	144,627		160,510	
Matchday Commercial Costs	35,334		62,869	
Football Costs	941,514		1,081,521	
Retail Costs	168,428		159,144	
Gold Bond Costs	4,442		17,505	
Centre for Excellence & Glyndwr Football Academy Costs	268,945		236,351	
Away Travel Costs	26,915		45,353	
Non Matchday Commercial Costs	6,876		7,088	
Transfer fees cost	-		12,500	
Stadium Costs	<u>449,858</u>		<u>-</u>	
		<u>2,046,939</u>		<u>1,782,841</u>
<b>GROSS PROFIT</b>		595,207		308,878
<b>Other income</b>				
Pension deficit revaluation		<u>-</u>		<u>4,809</u>
		595,207		313,687
<b>Expenditure</b>				
Facility Costs	204,034		257,793	
Insurance	22,569		11,392	
Telephone	8,190		7,164	
Office Costs	11,107		12,353	
Travel & Subsistence	1,004		2,398	
Motor expenses	7,003		22,139	
Sundry expenses	4,582		3,112	
	<u>258,489</u>		<u>316,351</u>	
Carried forward	258,489	595,207	316,351	313,687

This page does not form part of the statutory financial statements

**WREXHAM AFC LIMITED (REGISTERED NUMBER: 07698872)****TRADING AND PROFIT AND LOSS ACCOUNT  
for the Year Ended 30 June 2017**

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	2017		2016	
	£	£	£	£
Brought forward	258,489	595,207	316,351	313,687
Legal and professional fees	3,610		1,600	
Administration costs	123,676		98,417	
Stadium lease acquisition cost	-		18,735	
Auditors' remuneration	7,000		7,000	
Marketing costs	4,384		4,500	
Donations	11,268		11,830	
	<u>11,268</u>	<u>408,427</u>	<u>11,830</u>	<u>458,433</u>
		186,780		(144,746)
<b>Finance costs</b>				
Bank charges	23,172		20,307	
Hire purchase Interest	-		143	
Pension deficit revaluation	13,790		-	
	<u>13,790</u>	<u>36,962</u>	<u>-</u>	<u>20,450</u>
		149,818		(165,196)
<b>Depreciation</b>				
Website	1,333		-	
Player registrations	4,444		13,333	
Trademarks	34		34	
Improvements to property	9,357		8,693	
Plant and machinery	5,261		4,443	
Fixtures and fittings	3,072		2,893	
Motor vehicles	-		1,207	
Computer equipment	2,761		817	
	<u>2,761</u>	<u>26,262</u>	<u>817</u>	<u>31,420</u>
		123,556		(196,616)
<b>Loss on disposal of fixed assets</b>				
Player registrations	19,611		-	
Motor vehicles	-		658	
	<u>-</u>	<u>19,611</u>	<u>658</u>	<u>658</u>
<b>NET PROFIT/(LOSS)</b>		<u>103,945</u>		<u>(197,274)</u>

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