Registered number: 06632170

AFC BOURNEMOUTH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

AFC BOURNEMOUTH LIMITED

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COMPANY INFORMATION

Directors	Mr N Blake Mr J Mostyn Mr N Rothwell Mr R Seitz
Registered number	06632170
Registered office	Vitality Stadium Dean Court Kings Park Bournemouth Dorset BH7 7AF
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Savannah House 3 Ocean Way Southampton SO14 3TJ

STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Introduction

The directors present the Strategic Report for AFC Bournemouth Limited (the "Company" or the "Club") for the year ended 30 June 2019.

Business review

The financial statements for the year ended 30 June 2019 cover a year in which the Club competed in the Football Association Premier League for a fourth consecutive season. The Club finished in 14th position with 45 points (2018: 12th with 44 points), which was enough to secure Premier League status for the 2019/20 season.

During the financial year, the Club's focus was to consolidate its position in the Premier League through targeted expenditure on assets and expertise in the playing squad and supporting infrastructure. Player registration cost additions for the year were £94.2m compared with £55.8m in the previous year. Registration cost disposals amounted to £9.4m compared with £18.2m in 17/18. The overall net additions were therefore up on previous year, demonstrating the board’s commitment to the continuing development of the playing squad. Investment in the current and previous periods resulted in increased amortisation costs of £36.2m (2018: £26.9m) and contributed to an increase in total staff costs to £110.9m (2018: £101.9m).

Turnover was down by £3.7m to £131.1m (2018: £134.9m). This decrease is mainly attributable to the slightly lower finishing position in the league, although non-Premier League revenue remained broadly similar at £15.5m (2018: £15.6m). This reinforces the Club’s continuing progression off the field and increased ability to leverage the on-field success. However, costs relating to football player and team management wages, including Premier League retention bonuses, also increased as the Club strived to offer competitive remuneration packages to attract and maintain the calibre of playing and team management staff necessary to allow the Club to compete in the league, with the aim of maintaining Premier League status.

On 28 January 2019 the shareholding of the club changed, with A.FC.B. Enterprises Ltd purchasing the share capital and loan balances held by Peak6 Football Holdings LLC. A.FC.B. Enterprises Ltd therefore owned 100% of the share capital of the company. The loans purchased have a repayment date of January 2024. These loans are secured over the assets of the Company.

The Club recorded an operating loss of £27.0m (2018: £9.1m) which included a gain on disposal of intangible fixed assets in respect of player sales of £3.1m (2018: £1.3m).

The directors continue to maintain close control over cash flow and continue to develop and maintain policies with the aim of ensuring the Club is run in a sustainable and successful manner. These policies are seen as vital in order to keep control over all expenditure that the Club commits to in order to go some way to mitigating the risks arising from the inherent uncertainty over league status in the following season.

The Club sees retention of staff as a key ingredient to success. During the year there were no changes to key personnel in first team management or senior executive positions.

The net result of the above has been a loss before taxation of £32.4m (2018: £10.9m) mainly as a result of higher staff costs and a small drop in revenue.

The directors consider the financial position of the Company to be satisfactory at 30 June 2019.

After the year end, the Company disposed of three players for a profit of £22.6m. Clearly, if these disposals had been made before 30 June 2019, this would have removed a large portion of the loss for the year.

Principal risks and uncertainties

Playing success remains a key risk affecting the Club, with the primary aim of maintaining Premier League status. During the 2018/19 season, the Club continued its philosophy of investment in staff and facilities with the focus on progression of playing and non-playing staff. The utilisation of increasingly advanced sports science and medical methodologies and more developed training techniques facilitated this mindset. As one of the smallest clubs in the Premier League in terms of stadium size and revenues, such improvements are seen as vital by management in order to continue to improve and differentiate.

The Club is also aware of the risk associated with reliance upon finance from its shareholders to fund operations. However, the directors are confident that this risk is minimal, based on the ongoing commitment from its investors and recent positive developments within the business, which demonstrate the successful outputs resulting from the investment.

Financial key performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance, cash flow or financial position of the business.

The Strategic report presented above is authorised by the Board on 11 February 2020 and signed on its behalf by:

Mr N Blake
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and the audited financial statements of AFC Bournemouth Limited (the "Company" or "Club") for the year ended 30 June 2019.

Results and dividends

The loss for the financial year, after taxation, amounted to £32,421,000 (2018: £10,550,000).

The directors do not recommend the payment of a dividend (2018: £Nil).

Going concern

The directors consider it appropriate to adopt the going concern basis in preparing the financial statements. Further details underlying the adoption of this basis are given in note 2 to the financial statements.

Future developments

Since the year end the Club has continued to invest in its playing staff to help maintain Premier League status. The Club continues to have plans for growth and expansion and it is hoped that the playing squad can be developed further to ensure continued playing success.

Financial risk management

Credit risk

Credit risk relates primarily to the recoverability of trade debtors from commercial activities and cash held at bank. However, the Company monitors this closely and implements effective credit control procedures to reduce exposure to credit risk and monitors the financial stability of its bank and other financial institutions.

Liquidity risk

The Company is dependent on the financial support of its shareholder. To develop the Company's financial stability, the directors have continued to focus on operational efficiencies and to maximise cash inflow. In addition, the Club has effective procedures for budgeting and reporting, driving accuracy for decision making. It is also one of the Company's key priorities to ensure it meets its obligations to its creditors, through the monitoring of payment days and ensuring negotiated credit terms with suppliers are met.

Employee involvement

The Company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance.

Applicants for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues through making reasonable adjustments and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

Equality

The Club is committed to providing an environment in which no employee, candidate, supporter, or participant in club activities is subject to unlawful discrimination, either directly or indirectly, on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex or sexual orientation.

To create conditions in which this goal can be realised, the Club is committed to identifying and eliminating unlawful discriminatory practices, procedures, and attitudes throughout the Club and in all its activities. The board and management expect staff to support this commitment and to assist in its realisation in all possible ways.

Further to this, the Club will strive to make itself, its environs, and its activities such that all individuals and groups will feel welcomed, comfortable and safe.

Having achieved the Premier League Equality Standard at Preliminary and Intermediate Levels, the Club is now working towards the Advanced Level.

Directors

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

Mr N Blake
Mr J Coppoletta (resigned 28 January 2019)
Mr M Hulsizer (resigned 28 January 2019)
Mr J Mostyn
Mr N Rothwell
Mr R Seitz

Qualifying third party indemnity provisions

The directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last period and is currently in force.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2019

Statement of directors' responsibilities in respect of the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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 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.

Directors' confirmations

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.

Independent Auditors

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

This report was approved by the board on 11 February 2020 and signed on its behalf by:

Mr N Blake
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFC BOURNEMOUTH LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, AFC Bournemouth Limited's financial statements:

- give a true and fair view of the state of the Company’s affairs as at 30 June 2019 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the “Annual Report”), which comprise: the statement of financial position as at 30 June 2019; the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended 30 June 2019; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company’s ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company’s trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFC BOURNEMOUTH LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AFC BOURNEMOUTH LIMITED

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Christopher Boreham (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton
11 February 2020

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 £000	2018 £000
Turnover	4	**131,134**	134,861
Other operating income	5	**7,995**	5,189
Exceptional other operating income	6	**-**	2,615
Profit on disposal of players' registrations	7	**3,107**	1,303
Staff costs	9	**(110,894)**	(101,860)
Depreciation and amortisation charge	7	**(37,544)**	(28,145)
Other operating expenses		**(20,828)**	(23,052)
Operating loss	7	**(27,030)**	(9,089)
Interest receivable and similar income	11	**499**	74
Interest payable and similar expenses	12	**(5,893)**	(1,854)
Loss before taxation		**(32,424)**	(10,869)
Tax on loss	13	**3**	319
Loss for the financial year		**(32,421)**	(10,550)

The notes on pages 14 to 32 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note		2019 £000		2018 £000
Fixed assets					
Intangible assets	14		**133,124**		77,587
Tangible assets	15		**11,341**		12,190
			144,465		89,777
Current assets					
Stocks	16	**560**		382	
Debtors	17	**11,774**		19,880	
Cash at bank and in hand	18	**9,663**		7,671	
		21,997		27,933	
Creditors: amounts falling due within one year	19	**(104,282)**		(122,852)	
Net current liabilities			**(82,285)**		(94,919)
Total assets less current liabilities			**62,180**		(5,142)
Creditors: amounts falling due after more than one year	20		**(120,739)**		(32,644)
Provisions for liabilities					
Other provisions	22		**(127)**		(15)
Net liabilities			**(58,686)**		(37,801)
Capital and reserves					
Called up share capital	23		**21,110**		21,110
Profit and loss account			**(79,796)**		(58,911)
Total shareholders' deficit			**(58,686)**		(37,801)

The financial statements on pages 10 to 13 were approved by the board of directors on 11 February 2020 and were signed on its behalf by:

Mr N Blake
Director

AFC Bournemouth Limited
Company number: 06632170

The notes on pages 14 to 32 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Called up share capital	Profit and loss account	Total shareholders' deficit
	£000	£000	£000
At 1 July 2017	**21,110**	**(48,361)**	**(27,251)**
Comprehensive expense for the financial year			
Loss for the financial year	**-**	**(10,550)**	**(10,550)**
Total comprehensive expense for the financial year	**-**	**(10,550)**	**(10,550)**
At 30 June 2018 and 1 July 2018	**21,110**	**(58,911)**	**(37,801)**
Comprehensive expense for the financial year			
Loss for the financial year	**-**	**(32,421)**	**(32,421)**
Total comprehensive expense for the financial year	**-**	**(32,421)**	**(32,421)**
Contributions by and distributions to owners			
Fair value adjustments on shareholder's loans	**-**	**11,536**	**11,536**
Total transactions with owners	**-**	**11,536**	**11,536**
At 30 June 2019	**21,110**	**(79,796)**	**(58,686)**

The notes on pages 14 to 32 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 £000	2018 £000
Cash flows from operating activities		
Loss for the financial year	**(32,421)**	(10,550)
Adjustments for:		
Amortisation of intangible assets	**36,278**	26,861
Depreciation of tangible assets	**1,266**	1,284
Interest expense	**5,893**	1,854
Interest income	**(499)**	(74)
Taxation charge / (credit)	**(3)**	(319)
(Increase)/decrease in stocks	**(178)**	301
(Increase)/decrease in debtors	**(2,641)**	1,823
Increase / (decrease) in creditors	**(6,292)**	(2,115)
Increase / (decrease) in provisions	**112**	(30)
Corporation tax paid	**3**	(323)
Gain on disposal of intangible assets	**(3,107)**	(1,298)
Exceptional operating income	**-**	(2,865)
Net cash (used in)/generated from operating activities	**(1,589)**	14,549
Cash flows from investing activities		
Purchase of intangible assets	**(46,804)**	(37,854)
Sale of intangible assets	**11,185**	6,280
Purchase of tangible assets	**(400)**	(4,687)
Net cash used in investing activities	**(36,019)**	(36,261)
Cash flows from financing activities		
Other new loans	**71,508**	30,700
Repayment of other loans	**(31,908)**	(14,000)
Net cash generated from financing activities	**39,600**	16,700
Net increase/(decrease) in cash and cash equivalents	**1,992**	(5,012)
Cash and cash equivalents at beginning of financial year	**7,671**	12,683
Cash and cash equivalents at the end of financial year	**9,663**	7,671
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	**9,663**	7,671

The notes on pages 14 to 32 form part of these financial statements.

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

1. General information

AFC Bournemouth Limited (the "Company" or "Club") is a private company limited by shares registered and domiciled in England & Wales. The Company's principal activity is the operation of a professional football club and related commercial activities.

Its trading and registered office address is Vitality Stadium, Dean Court, Kings Park, Bournemouth, Dorset BH7 7AF. The Company registration number is 06632170.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

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

2.2 Going concern

The Company is dependent on continued financial support from its shareholder, including its ultimate controlling party, in order to remain a going concern. The Company's shareholder has committed to provide financial support to the Company for at least 12 months from the date of the signing of the Company's financial statements, in order for the Company to be able to meet its liabilities as they fall due and to realise the value of its assets. The directors have considered the Company's financial position, forecast cash flows and the availability of financial support from its shareholder and consider that it is appropriate to prepare the financial statements on a going concern basis.

2.3 Turnover

Turnover represents income receivable net of VAT, from football and related commercial activities. Match and season ticket turnover, as well as hospitality and events revenue types are all recognised as games are played and events are staged. The fixed element of Premier League and English Football League distributions is recognised over the duration of the football season whilst facility fees for live coverage or highlights are recognised when earned. Merit awards, including those from The Premier League, are accounted for only when they are mathematically achieved, as the football season progresses. Sponsorship and advertising income is recognised over the duration of the respective contracts. Shop merchandise is recognised at point of sale and fees receivable in respect of the loan of players are included in other income and recognised evenly over the period of the loan.

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life of 5 years. The Company has taken advantage of the transition arrangements of FRS 102 to not restate the opening carrying value or useful economic life of its goodwill.

Other intangible assets

Intangible assets are initially recognised at cost or fair value if the associated consideration is subject to extended payment terms. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The third party costs associated with players' registrations or extending their contracts, including agents' fees and levies payable to the Premier League, are capitalised and amortised, in equal instalments, over the period of the respective players' contracts. Where a contract life is renegotiated the unamortised costs, together with the new costs relating to the contract extension, are amortised over the new contract period.

The single cash generating unit ("CGU") of the Company is the operation of the Company as a whole. An impairment charge is posted against the Company's intangible assets if it is determined that the carrying amount of the CGU is below the highest of its fair value less costs to sell and its value in use. The directors do not consider that it is possible to determine the value in use of an individual football player in isolation as that player, except in the case of sale or insurance recovery, cannot generate cash flows by themselves. While management does not consider any individual player can be separated from the single CGU there may be certain circumstances where a player is excluded from the CGU when it becomes clear that they will not play for the Club's first team again, for example following a career threatening injury or on being permanently removed from the first team squad for another reason. If such circumstances arise, the carrying value of the player is assessed against the Company's best estimate of the player's fair value less any costs to sell and an impairment charge is recorded in the Statement of Comprehensive Income reflecting any loss arising.

Under the conditions of certain transfer agreements, further fees will be payable to former clubs in the event of the purchased player concerned and/or the Club achieving a specified future event. Liabilities that are contingent on outcomes that are wholly determined by the Company, such as those dependent on the number of appearances by the player, are accounted for as trade creditors or accruals when the specified event has been achieved and capitalised to player registration costs. Other liabilities contingent on future events are provided for and capitalised to player registration costs when it becomes probable that the future event will occur.

Profits or losses on the sale of players represent the transfer fee receivable, net of any transaction costs, less the unamortised cost of the player's registration, signing on fees, termination fees and any other amounts due to the player under contractual terms. Consideration that is dependent on future events is only recognised when its receipt is virtually certain.

2. Accounting policies (continued)

2.5 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	- Asset not in use, useful life will be assessed by management when in use.
Land and buildings leasehold improvements	- Between 5% and 15% per annum
Land	- Not depreciated
Plant, machinery and vehicles	- Between 15% and 33% per annum
Fixtures, fittings and equipment	- Between 15% and 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell, after making due allowance for obsolete and slow-moving stocks. Any impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months.

2.8 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 and loans to related parties.

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting year 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.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at rates of exchange ruling at the reporting date. Transactions in foreign currencies are translated into the functional currency at the rate ruling on the date of the transaction. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within other operating expense.

2.10 Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company’s control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets unless virtually certain are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

2.11 Interest expense

Interest expense relates to the effective interest charge on discounted long-term player transfer fees and borrowings.

These items are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.12 Interest income

Interest income relates to the effective interest on discounted long term player transfer fees due to the Club and are recognised in the Statement of Comprehensive Income.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating leases are recognised on a straight line basis over the lease term.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Multi-employer pension plan

The Company is a member of a multi-employer plan. Where it is not possible for the Company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Under the provisions of FRS 102 ‘Retirement Benefits’ the Scheme is treated as a defined benefit multi-employer scheme as the Scheme’s actuary has advised the participating employers that their share of the underlying assets and liabilities cannot be identified on a reasonable and consistent basis and, accordingly, no further disclosures are made under the provisions of FRS 102.

2. Accounting policies (continued)

2.15 Current and deferred taxation

Tax is recognised in the Statement of Comprehensive Income, 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.16 Exceptional items

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

2.17 Player remuneration

Remuneration of players is charged in accordance with the terms of the applicable contractual agreements and any discretionary bonus is recorded when there is a legal or contractual obligation.

Player signing-on fees represent a normal part of the employment cost of the player and as such are recorded in prepayments and charged to the Statement of Comprehensive Income evenly over the term of the contract, except in the circumstances of a player disposal. In that case, any remaining signing on fees due are allocated in full against the profit on disposal of the player's registration in the year in which the player disposal is made.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and judgements in applying the Company's accounting policies

The directors consider that the critical judgements in applying the Company's accounting policies are:

(i) Determination of a single cash generating unit ("CGU")
As described in note 2.4 the single cash generating unit ("CGU") of the Company is the operation of the Company as a whole. With respect to intangible asset player registrations it is not considered possible to determine the value in use of an individual football player in isolation, other than in the exceptional circumstances described in note 2.4.

(ii) Recognition of liabilities for contingent payments to players and players' former clubs
Under the conditions of certain transfer agreements in respect of players purchased, further transfer fees are payable to former clubs in the event of the purchased player concerned and the club achieving a specified future event. Liabilities contingent on outcomes that are wholly determined by the Company, such as those dependent on the number of appearances by the player, are accounted for as trade creditors or accruals when the specified event has been achieved. Other liabilities contingent on future events are accounted for, as provisions, when it becomes probable that the future event will occur. There are similar contingent contractual compensation arrangements with players and agents at the time of initial transfer or on subsequent contract renegotiation.

(iii) Onerous provisions
Where the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it, the excess will be recognised as a provision. In relation to a player's loan transfer to another club, the existence of a recall option would mean that the 'unavoidable' element is not applicable and so no provision would be recognised.

(b) The directors consider the following as critical estimates:

(i) Assumptions in calculating the fair value of long term monetary assets and liabilities
During the year the Company had an interest free fixed term loan and both trade debtors and creditors with extended payment terms. These are initially measured at the present value of their future cash flows and subsequently at amortised cost over the period of repayment. While the periods of repayment are determinable, an estimate of the interest rate to be used has to be made based on current market rates.

(ii) The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed above.

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £000	2018 £000
Match and season ticket income	4,990	5,291
English Football League income	300	255
Premier League income	115,609	119,245
Sponsorship and advertising	7,133	6,807
Hospitality and events	1,536	1,475
Shop merchandise	1,229	1,292
Other income	337	496
	131,134	134,861

All turnover arose within the United Kingdom.

5. Other operating income

	2019 £000	2018 £000
Other operating income	7,995	5,189

Other operating income relates to amounts received for players on loan at other clubs.

6. Exceptional other operating income

	2019 £000	2018 £000
Exceptional operating income	-	2,865
Contribution to Premier League Payment	-	(250)
	-	2,615

During the prior year, the Club reached an agreement to settle the dispute with the English Football League (EFL) in relation to the £7.615m Financial Fair Play charge incurred in the 2014/15 season. On completion of the settlement the EFL agreed to release and discharge their original claim and agreed that there was no wrongdoing by the Club and that no further action would be taken. The amount of the settlement was £4.75m.

7. Operating loss

The operating loss is stated after charging/(crediting):

	2019 £000	2018 £000
Depreciation of tangible assets	**1,266**	1,284
Amortisation of intangibles, including goodwill	**36,278**	26,861
Profit on disposal of players' registrations	**(3,107)**	(1,303)
Operating lease rentals	**809**	783

The profit or loss on the disposal of players' registrations is the difference between the book value of the player's registration at the time of disposal and the net consideration received at the time. Consideration that is contingent on future events is only recognised when its receipt is virtually certain.

8. Auditors' remuneration

	2019 £000	2018 £000
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	**53**	46

Fees payable to the Company's auditors in respect of:

	2019 £000	2018 £000
Audit-related assurance services	**18**	17
Taxation compliance services	**20**	19
Other services relating to taxation	**19**	18
All other services	**15**	4
	72	58

9. Staff costs

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

	2019 £000	2018 £000
Wages and salaries	**97,412**	88,608
Social security costs	**12,581**	12,422
Other pension costs	**901**	830
	110,894	101,860

The average monthly number of employees, including the directors, during the year was as follows:

	2019 Number	2018 Number
Playing staff and administration	**184**	177
School of excellence	**72**	67
Matchday staff	**365**	338
	621	582

10. Directors' remuneration

	2019 £000	2018 £000
Aggregate directors' emoluments	**2,199**	1,662
Company contributions to defined contribution pension schemes	**42**	35
	2,241	1,697

During the year retirement benefits were accruing to 2 directors (2018: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £1,864,000 (2018: £1,323,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £36,875 (2018: £32,500).

The directors consider key management to be the statutory directors of the Company.

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

11. Interest receivable and similar income

	2019 £000	2018 £000
Bank interest	**-**	4
Implied interest on trade debtors with extended terms	**499**	70
	499	74

12. Interest payable and similar expenses

	2019 £000	2018 £000
Implied interest on shareholder loans	**2,561**	-
Implied interest on trade creditors with extended payment terms	**3,332**	1,854
	5,893	1,854

13. Tax on loss

	2019 £000	2018 £000
Corporation tax		
UK corporation tax on loss for the year	**-**	(322)
Adjustments in respect of previous years	**(3)**	3
Total current tax	**(3)**	(319)

13. Tax on loss (continued)

Factors affecting tax credit for the year

The tax assessed for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	2019 £000	2018 £000
Loss before taxation	**(32,424)**	(10,869)
Loss before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	**(6,161)**	(2,065)
Effects of:		
Expenses not deductible for tax purposes	**682**	29
Adjustments to tax charge in respect of prior years	**(3)**	3
Adjustment to deferred tax from previous years	**-**	1,447
Deferred tax not recognised	**5,483**	1,726
Income not taxable	**(4)**	(1,447)
Group relief surrendered for consideration	**-**	(12)
Total tax credit for the financial year	**(3)**	(319)

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the Balance Sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Unrecognised deferred tax asset

The Company has an unrecognised deferred tax asset of £13,730,000 (2018: £8,818,000). This deferred tax asset is made up of taxable losses of £13,560,000 (2018: £8,570,000), fixed assets of £133,000 (2018: £232,000) and other timing differences of £37,000 (2018: £16,000). The Company's deferred tax asset has not been recognised at 30 June 2019 and 30 June 2018 as the Company does not have a history of making taxable profits.

14. Intangible assets

	Goodwill £000	Player registration costs £000	Website & Software £000	Total £000
Cost				
At 1 July 2018	**1,633**	**124,567**	**158**	**126,358**
Additions	**-**	**94,150**	**24**	**94,174**
Disposals	**-**	**(9,360)**	**-**	**(9,360)**
At 30 June 2019	**1,633**	**209,357**	**182**	**211,172**
Accumulated amortisation				
At 1 July 2018	**1,586**	**47,154**	**31**	**48,771**
Charge for the year	**47**	**36,195**	**36**	**36,278**
On disposals	**-**	**(7,001)**	**-**	**(7,001)**
At 30 June 2019	**1,633**	**76,348**	**67**	**78,048**
Net book value				
At 30 June 2019	**-**	**133,009**	**115**	**133,124**
At 30 June 2018	47	77,413	127	77,587

The figures for the cost of player registrations is the fair value of purchase consideration for purchased players only. Accordingly, the net book amount of player registrations will not reflect, nor is it intended to, the current market value of these players nor does it take into any account the value of players developed through the youth system.

The directors consider the net realisable value of player registration costs to be greater than their book value.

Player registrations have a carrying amount of £133,009,000 (2018: £77,413,000) and have a remaining amortisation period of up to 5 years (2018: 4 years). There are no other individually material intangible assets.

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

15. Tangible assets

	Fixtures, Fittings & Equipment £000	Plant, Machinery & Vehicles £000	Land and Buildings leasehold Improvements £000	Land £000	Freehold Building £000	Total £000
Cost						
At 1 July 2018	**2,422**	**306**	**9,922**	**3,991**	**196**	**16,837**
Additions	**168**	**3**	**229**	**-**	**-**	**400**
Disposals	**10**	**-**	**-**	**-**	**-**	**10**
At 30 June 2019	**2,600**	**309**	**10,151**	**3,991**	**196**	**17,247**
Accumulated depreciation						
At 1 July 2018	**1,560**	**237**	**2,851**	**-**	**-**	**4,648**
Charge for the year	**307**	**31**	**928**	**-**	**-**	**1,266**
Disposals	**(8)**	**-**	**-**	**-**	**-**	**(8)**
At 30 June 2019	**1,859**	**268**	**3,779**	**-**	**-**	**5,906**
Net book value						
At 30 June 2019	**741**	**41**	**6,372**	**3,991**	**196**	**11,341**
At 30 June 2018	862	69	7,072	3,991	196	12,190

16. Stocks

	2019 £000	2018 £000
Finished goods and goods for resale	**560**	382

Stock recognised in operating expenses during the year as an expense was £753,000 (2018: £875,000).

The difference between purchase price of stocks and their replacement cost is not material.

There is no stock provision (2018: £Nil).

17. Debtors

	2019 £000	2018 £000
Trade debtors	**4,831**	12,102
Other debtors	**1,739**	1,615
Prepayments and accrued income	**4,880**	5,844
Tax recoverable	**324**	319
	11,774	19,880

Included in trade debtors are amounts in respect of football transfer fees due from former clubs and loan fees due from other football clubs. The undiscounted value of these is £4,758,000 (2018: £11,209,000), of which £Nil (2018: £6,000,0000) are due in more than one year.

There is no bad debt provision (2018: £Nil).

Included within trade debtors is £Nil (2018: £5,588,000) due for payment in more than one year. No amounts are due in more than five years.

18. Cash at bank and in hand

	2019 £000	2018 £000
Cash at bank and in hand	**9,663**	7,671

19. Creditors: amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	**36,521**	29,389
Amounts owed to group undertakings	**33,137**	52,619
Other taxation and social security	**5,834**	9,068
Other creditors	**102**	156
Accruals	**20,251**	24,265
Deferred income	**8,437**	7,355
	104,282	122,852

Included in trade creditors are amounts due in respect of football transfer fees payable to former clubs and loan fees due to other football clubs. The undiscounted value of these due within one year is £31,851,000 (2018: £26,500,000).

Amounts owed to group undertakings are interest free amounts owed to the Company's shareholders. There is no fixed repayment date for these loans which are secured over the assets of the Company. The Company has received assurances from shareholders that they will not request repayment of these loans from the Company, unless the Company has the resources to do so.

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

	2019 £000	2018 £000
Trade creditors	**45,720**	10,105
Amounts owed to group undertakings	**66,807**	16,700
Accruals	**8,212**	5,839
	120,739	32,644

Included in trade creditors are amounts due in respect of football compensation and loan fees due to other football clubs. The undiscounted value of these due after more than one year is £49,470,000 (2018: £11,000,000).

Amounts owed to group undertakings are interest free amounts owed to the Company's shareholders. These loans are partially repayable in August 2020 (£41,223,000) and partially in January 2024 (£25,584,000). These loans are secured over the assets of the Company.

The equivalent loans in the prior year were repaid in full as at the year end date.

No amounts have a specified repayment date falling due after more than five years.

21. Financial instruments

	2019 £000	2018 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**8,343**	16,084
Financial liabilities		
Financial liabilities measured at amortised cost	**(210,750)**	(139,073)

Financial assets measured at amortised cost comprise of trade debtors, other debtors and accrued income.

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

22. Other provisions

	Pension obligations £000
At 1 July 2018	15
New provision recognised	142
Credited to profit and loss	(30)
At 30 June 2019	**127**

The Club is advised of its share of the deficit in the defined benefit section of The Football League Pension and Life Assurance Scheme ("the Scheme"). The most recent valuation of the whole Scheme was as at 31 August 2014 and this reported a deficit for the whole Scheme of £21.8m. The Club's share of this deficit at 30 June 2019 is £127,000 (2018: £15,000).

23. Called up share capital

Shares classified as equity	2019 £000	2018 £000
Allotted and fully paid		
20,860 (2018: 20,860) Preference shares of £1,000 (2018: £1,000) each	20,860	20,860
125,002 (2018: 125,002) Ordinary A shares of £1 (2018: £1) each	125	125
125,002 (2018: 125,002) Ordinary B shares of £1 (2018: £1) each	125	125
	21,110	21,110

The Ordinary A shares and Ordinary B shares rank pari passu in all respects.

The Preference shares entitle the holders to receive notice of all general meetings but do not entitle the holders to attend or vote at any general meeting or to participation in the profits or assets of the Company. On winding up or repayment of capital, holders of the Preference shares shall be entitled to repayment of the capital paid up in those shares. This payment will be made in priority to holders of Ordinary A shares or Ordinary B shares.

24. Contingent liabilities

Under the conditions of certain transfer agreements in respect of players purchased, further transfer fees are payable to former clubs in the event of the purchased player concerned and the Club achieving a specified future event. Liabilities contingent on outcomes that are wholly determined by the Company, such as those dependent on the number of appearances by the player, are accounted for as trade creditors or accruals when the specified event has been achieved. Other liabilities contingent on future events are accounted for, as provisions, when it becomes probable that the future event will occur. There are similar contingent contractual compensation arrangements with players and agents at the time of initial transfer or on subsequent contract renegotiation. The Company's contingent liability for these matters at 30 June 2019 is estimated to be £39,672,000 (2018: £29,519,000) of which £17,863,000 (2018: £5,935,000) are in respect of compensation on transfer and loan agreements with other football clubs and £21,809,000 (2018: £23,584,000) are in respect of compensation to players and agents.

25. Pension commitments

The Company participates in a number of defined contribution pension schemes on behalf of certain employees. The assets of these schemes are held separately from those of the Company in independently administered funds. The charge for the year for schemes accounted for as defined contribution schemes was £901,000 (2018: £830,000).

26. Commitments under operating leases

At 30 June the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£000	£000
Not later than 1 year	**676**	645
Later than 1 year and not later than 5 years	**2,127**	2,414
Later than 5 years	**11,373**	8,971
	14,176	12,030

27. Related party transactions

As at 30 June 2019 the Company owed its parent company A.F.C.B. Enterprises Limited, a company registered in The British Virgin Islands, a non-interest bearing loan with a book and fair value of £99,944,000.

The value of the loans are £108,919,000, with discounting adjustments of £8,975,000 relating to an implied equity contribution, resulting in implied FRS 102 interest charged on the loans. This is due to no interest being payable on the loans and hence being below the company's perceived external borrowing costs. The loans are secured over the assets of the Company. The loans are repayable as follows: £33,137,000 on demand, £41,223,000 in August 2020 and £25,584,000 in January 2024.

As at 30 June 2019 the Company was owed £Nil (2018: £6,000) from its ultimate controlling party.

There were no other related party transactions during the year.

28. Events after the reporting period

The playing registrations of certain footballers have been disposed of, subsequent to 30 June 2019, for total proceeds, net of associated costs, of £25,902,000. The associated net book value was £4,466,000.

Subsequent to 30 June 2019 the playing registrations of certain players were acquired for a total consideration, including associated costs, of £35,384,000.

On 2 September 2019 the Company received net £13,725,000 in relation to the forward funding of future transfer receivables. The gross receivable was £16,000,000 with deductions for interest, professional fees and sell-on fees due to former clubs.

On 3 October 2019 the Company received planning approval for revised plans for the new training centre on the site of the old Canford Magna Golf Course.

29. Ultimate parent undertaking and controlling party

The immediate parent company of the Company is A.F.C.B. Enterprises Limited, a company registered in The British Virgin Islands. The ultimate parent company is Fortina Enterprises Limited, a company registered in The British Virgin Islands.

The ultimate controlling party is Mr. M Demin.