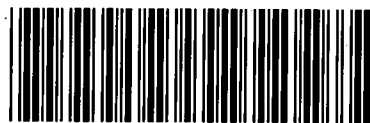


FAW Football Development Centre Limited

Annual report and financial statements

For the year ended 30 June 2018

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Annual report and financial statements 2018

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FAW Football Development Centre Limited

Officers and professional advisers

DIRECTORS

J Ford
D R Griffiths
P A Lee
K J O'Connor
N W Ward
S Williams

SECRETARY

N W Ward

REGISTERED OFFICE

11-12 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

AUDITOR

Deloitte LLP
Cardiff

Directors' report

The directors present their annual report and audited financial statements for the year ended 30 June 2018.

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Accordingly no separate strategic report has been presented.

PRINCIPAL ACTIVITIES

The company was incorporated on 21 December 2011. The company was set up to construct a training facility for international squads and the training centre is now used to earn rental income.

BUSINESS REVIEW

The audited financial statements for the year are set out in the attached pages. The profit for the financial year amounted to £2,906 (2017: loss of £3,626). The profit arose due to rental income of £100,000 (2017: £100,000) largely being spent on a charitable donation of £87,540 (2017: £91,166) during the year. The directors do not recommend the payment of a dividend for the year (2017: £nil).

GOING CONCERN

After making enquiries, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

DIRECTORS

The directors of the company, who served throughout the financial year and subsequently, are as listed on page 1.

DIRECTOR INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

AUDITOR


Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to continue in office as the company's auditor and a resolution to confirm their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



J Ford
Director

Date: 22 March 2019

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent auditor's report to the members of FAW Football Development Centre Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of FAW Football Development Centre Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income incorporating the profit and loss account;
- the statement of financial position; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We 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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Independent auditor's report to the members of FAW Football Development Centre Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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



Andrew Woodhead, FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Cardiff, United Kingdom

Date: 22 March 2019

FAW Football Development Centre Limited

Statement of comprehensive income incorporating the profit and loss account Year ended 30 June 2018

PROFIT AND LOSS ACCOUNT	Note	2018 £	2017 £
TURNOVER	2	100,000	100,000
Administrative expenses		(96,290)	(103,732)
OPERATING PROFIT/(LOSS)	3	3,710	(3,732)
Interest receivable and similar income		183	183
Interest payable and similar charges	4	(59)	(77)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,834	(3,626)
Tax on profit/(loss)	5	(928)	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>2,906</u>	<u>(3,626)</u>

All amounts derive from continuing operations.

There were no items of other comprehensive income in either period.

Statement of financial position
At 30 June 2018

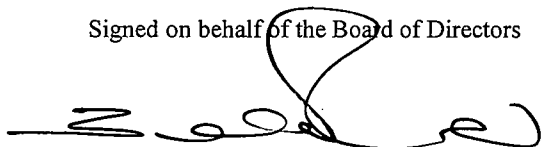
	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	6	3,921,099	4,008,779
CURRENT ASSETS			
Debtors	7	106,633	30,000
Cash at bank and in hand		240,163	199,201
		346,796	229,201
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(348,551)	(233,862)
NET CURRENT LIABILITIES		(1,755)	(4,661)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,919,344	4,004,118
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	(3,828,898)	(3,916,578)
NET ASSETS		90,446	87,540
CAPITAL AND RESERVES			
Profit and loss account		90,446	87,540
SHAREHOLDERS' FUNDS		90,446	87,540

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts have been prepared in accordance with the provisions of Section 1A of FRS 102.

The financial statements of FAW Football Development Centre Limited, registered number 07889225, were approved by the Board of Directors and authorised for issue on 22 March 2019

Signed on behalf of the Board of Directors



J Ford
 Director

**Notes to the financial statements
Year ended 30 June 2018**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared in accordance with FRS 102, Section 1A and the Companies Act 2006. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

General information and basis of accounting

The company is incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report. The company is a private company limited by guarantee and is registered in England and Wales.

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The functional currency of the company is considered to be British pounds because that is the currency of the primary economic environment in which the company operates.

Going concern

After making enquiries, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Long leasehold	over 50 years
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Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the statement of financial position date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the statement of financial position date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Notes to the financial statements
Year ended 30 June 2018

1. ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Turnover

Turnover comprises rental income in respect of the Dragon Parc facility. Turnover is recognised on an accruals basis.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that have no stated interest rate (and do not constitute a financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Capital grants

Grants received in respect of capital expenditure are credited to a deferred income account and are released to the statement of comprehensive income over the expected useful lives of the relevant assets by matching with the relevant depreciation expense.

Notes to the financial statements
Year ended 30 June 2018

1. ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation and uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The directors consider that there are no critical accounting judgements.

Key sources of estimation uncertainty

The directors consider that there are no key sources of estimation uncertainty.

2. TURNOVER

The turnover and profit/(loss) before tax are attributable to the principal activity of the company, wholly undertaken in the UK.

3. OPERATING PROFIT/(LOSS)

This is stated after charging/(crediting):

	2018 £	2017 £
Depreciation - owned assets	87,680	87,680
Release of government grants	(87,680)	(87,680)
Auditor's remuneration for audit of company's annual accounts	6,450	5,375
Auditor's remuneration for tax and other services	1,250	3,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2018 £	2017 £
Other interest	59	77
	<u> </u>	<u> </u>

Notes to the financial statements
Year ended 30 June 2018

5. TAX ON PROFIT/(LOSS)

	2018 £	2017 £
<i>Current tax</i>		
Corporation tax on profit/(loss) for the year	17,561	-
Total current tax	<u>17,561</u>	<u>-</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(16,633)	-
Total deferred tax	<u>(16,633)</u>	<u>-</u>
Tax on profit/(loss)	<u>928</u>	<u>-</u>

The difference between the taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit/(loss) before tax is as follows:

	£	£
Profit/(loss) on ordinary activities before tax	<u>3,834</u>	<u>(3,626)</u>
	£	£
Tax on profit/(loss) at standard rate of 19.00% (2017: 19.75%)	728	(716)
Effects of:		
Expenses not deductible for tax purposes	<u>200</u>	<u>716</u>
Total tax charge for the year	<u>928</u>	<u>-</u>

Factors affecting current tax charge

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2017: 19%). The applicable tax rate has changed following the substantive enactment of the Finance Act 2016. The phased reduction in the rate of corporation tax to 17% by 1 April 2020 is not anticipated to materially affect the future tax charge.

Notes to the financial statements
Year ended 30 June 2018

6. TANGIBLE FIXED ASSETS

	Long leasehold £
Cost	
At 1 July 2017 and 30 June 2018	4,384,016
Depreciation	
At 1 July 2017	375,237
Charge for the year	87,680
At 30 June 2018	462,917
Net book value	
At 30 June 2018	3,921,099
At 30 June 2017	4,008,779

7. DEBTORS

	2018 £	2017 £
Amounts owed by joint venture partner	90,000	30,000
Deferred tax asset (note 10)	16,633	-
	<u>106,633</u>	<u>30,000</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Amounts due to joint venture partners	213,539	116,974
Corporation tax	17,561	-
Other tax and social security	3,705	4,162
Deferred capital grant	87,680	87,680
Accruals and deferred income	26,066	25,046
	<u>348,551</u>	<u>233,862</u>

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

	2018 £	2017 £
Deferred capital grant	<u>3,828,898</u>	<u>3,916,578</u>

Notes to the financial statements
Year ended 30 June 2018

10. DEFERRED TAX ASSET

	Deferred tax £
Balance at 1 July 2017	-
Deferred tax credit to the statement of comprehensive income for the year	16,333
Balance at 30 June 2018	<u>16,633</u>

The movements in provisions relate to deferred taxation which consists of the tax effect of timing differences in respect of:

	2018 £
Short-term trading timing differences	<u>16,333</u>

11. RELATED PARTY TRANSACTIONS

At 30 June 2018 an amount of £34,833 (2017: £25,808) was due to the Football Association of Wales Limited in respect of invoices paid on behalf of FAW Football Development Centre Limited. This balance is included within the statement of financial position as an amount owed to joint venture partners.

During the year a total of £100,000 (2017: £100,000) was charged by the company to FAW Football in the Community Limited in respect of rental charges for the Dragon Parc facility. Of this amount £90,000 (2017: £30,000) was outstanding at the year-end.

During the year a charitable donation of £87,540 (2017: £91,166) was made by the company to FAW Football in the Community Limited. At 30 June 2018 an amount of £178,706 (2017: £91,166) was due to FAW Football in the Community Limited in respect of the above charitable donation. This balance is included within the statement of financial position as an amount owed to joint venture partners.

12. GUARANTEE

The two members of the company have agreed to contribute £1 each to the assets of the company in the event of it being wound up.

13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Football Association of Wales Limited and FAW Football in the Community Limited, companies incorporated in the United Kingdom, are both members which have each provided 50% of the guarantee. The directors do not consider there to be an ultimate controlling party.