

Audited Financial Statements for the Year Ended 31 May 2023

for

Falkirk Football and Athletic Club  
Ltd. (The)

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for the Year Ended 31 May 2023

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

Balance Sheet  
31 May 2023

	Notes	31.5.23 £	31.5.22 £
<b>FIXED ASSETS</b>			
Tangible assets	4	63,262	97,052
Investments	5	<u>1,223,407</u>	<u>1,270,457</u>
		<u>1,286,669</u>	<u>1,367,509</u>
<b>CURRENT ASSETS</b>			
Stocks		60,216	15,258
Debtors	6	195,029	216,441
Cash at bank		<u>415,700</u>	<u>66,075</u>
		670,945	297,774
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(666,334)</u>	<u>(445,983)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>4,611</u>	<u>(148,209)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,291,280	1,219,300
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	<u>(57,425)</u>	<u>(30,501)</u>
<b>NET ASSETS</b>		<u>1,233,855</u>	<u>1,188,799</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		1,919,742	1,763,945
Share premium		519,049	519,049
Capital redemption reserve		173,994	173,994
Retained earnings		<u>(1,378,930)</u>	<u>(1,268,189)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>1,233,855</u>	<u>1,188,799</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22 August 2023 and were signed on its behalf by:

G C Wright - Director

Notes to the Financial Statements  
for the Year Ended 31 May 2023

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Preparation of consolidated financial statements**

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

**Related party exemption**

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

**Going concern**

The Board of Directors have reviewed the future financial position of the company by preparing detailed cash flow forecasts to the end of season 2023/24. These have been prepared on a cash break-even basis in 2023/24 and it is the Board's view that there will be adequate funding in place to cover all known liabilities as they fall due until the end of the season. The Board has considered uncertainties over the various income streams of the company, and there are a number of actions that can be taken to reduce costs should forecasted income be lower than expected. As with most football clubs, income is front loaded to the start of the financial year. With minimal structured debt and creditors paid in a timely fashion, this allows the Board to prepare a budget for 2024/25 based on expected income for the following season regardless of which league the club is in and cut or increase squad and other costs as appropriate. Therefore, it is the directors' assessment that the financial statements can be prepared on a going concern basis.

**Turnover**

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

**Tangible fixed assets and depreciation**

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

Land and buildings	- 4% on cost and 2.5% on cost
Plant and machinery etc	- 25% on cost and 10% on cost

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

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

**Stocks**

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

**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**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Valuation of playing squad**

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

**Investments**

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

**Provisions**

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

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

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 46 (2022 - 45) .

Notes to the Financial Statements - continued  
 for the Year Ended 31 May 2023

4. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 June 2022	105,608	389,216	494,824
Additions	13,542	-	13,542
At 31 May 2023	<u>119,150</u>	<u>389,216</u>	<u>508,366</u>
<b>DEPRECIATION</b>			
At 1 June 2022	65,699	332,073	397,772
Charge for year	6,933	40,399	47,332
At 31 May 2023	<u>72,632</u>	<u>372,472</u>	<u>445,104</u>
<b>NET BOOK VALUE</b>			
At 31 May 2023	<u>46,518</u>	<u>16,744</u>	<u>63,262</u>
At 31 May 2022	<u>39,909</u>	<u>57,143</u>	<u>97,052</u>

5. **FIXED ASSET INVESTMENTS**

	31.5.23 £	31.5.22 £
Shares in group undertakings	102	102
Loans to group undertakings	<u>1,223,305</u>	<u>1,270,355</u>
	<u>1,223,407</u>	<u>1,270,457</u>

Additional information is as follows:

	Shares in group undertakings £
<b>COST</b>	
At 1 June 2022 and 31 May 2023	<u>102</u>
<b>NET BOOK VALUE</b>	
At 31 May 2023	<u>102</u>
At 31 May 2022	<u>102</u>
	Loans to group undertakings £
At 1 June 2022	1,270,355
Write-down in year	<u>(47,050)</u>
At 31 May 2023	<u>1,223,305</u>

Notes to the Financial Statements - continued  
 for the Year Ended 31 May 2023

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

	31.5.23	31.5.22
	£	£
Trade debtors	64,156	60,966
Other debtors	130,873	155,475
	<u>195,029</u>	<u>216,441</u>

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

	31.5.23	31.5.22
	£	£
Bank loans and overdrafts	10,000	10,000
Trade creditors	174,516	178,719
Amounts owed to group undertakings	102	12,656
Taxation and social security	52,605	34,746
Other creditors	429,111	209,862
	<u>666,334</u>	<u>445,983</u>

Included in creditors is £334,362 of deferred income and deferred grants related to the season 2023/24 (2022: £184,226).

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

	31.5.23	31.5.22
	£	£
Bank loans	20,759	30,501
Other creditors	36,666	-
	<u>57,425</u>	<u>30,501</u>

An unsecured £50,000 loan was taken out in May 2020 under the Bounce Back Loan Scheme. This is government backed and interest was paid by the government for the first year, with 2.5% charged annually thereafter. No capital payments were due until June 2021 and the loan is being repaid in 60 monthly instalments across 5 years, with the final payment in May 2026.

9. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.23	31.5.22
	£	£
Within one year	75,000	75,000
Between one and five years	293,750	293,750
In more than five years	1,631,250	1,706,250
	<u>2,000,000</u>	<u>2,075,000</u>

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

The Report of the Auditors was unqualified.

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

Notes to the Financial Statements - continued  
 for the Year Ended 31 May 2023

11. **CAPITAL COMMITMENTS**

	31.5.23 £	31.5.22 £
Contracted but not provided for in the financial statements	335,980	-

At the year end capital commitments of £335,980 (2022: £nil) existed in relation to the new pitch and floodlights. Grant funding related to the purchase of these assets of £116,466 (2022: £nil) had been received at the year end, with a further £126,466 received post year end.

12. **RELATED PARTY DISCLOSURES**

The company paid rent of £85,350 (2022: £85,350) to South Stand Development Company Limited, a company owned by shareholder Sandy Alexander. At the year-end, a balance of £25,605 was owed to this company (2022: £nil).

During the year, Earlsgate Property Investments Limited, a company owned by shareholder Sandy Alexander, provided a three-year interest-free loan of £40,000 with repayments commencing post year-end.

During the year, KGO Consulting Ltd, a shareholder of the company owned by director Keith Gourlay, provided a three-year interest-free loan of £10,000 with repayments commencing post year-end.

During the year, Gordon Wright, a director and shareholder of the company, provided a three-year interest-free loan of £5,000 with repayments commencing post year-end. Subsequent to the year-end this balance has been converted to shares.

During the year, William Jones, a shareholder of the company, provided a one-year interest-free loan of £30,000 with repayments commencing post year-end.

13. **POST BALANCE SHEET EVENTS**

Post year end 875,000 ordinary 40p shares were issued to the Falkirk Supporters Society for a total consideration of £350,000.



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