

Registered number: 00171970

The Walsall Football Club Limited

Directors' Report and Financial Statements

For the Year Ended 31 May 2017

The Walsall Football Club Limited

Company Information

Directors	J W Bonser K R Whalley R C Bonser R Tisdale N C Bond S Gamble P Gilman L Pomlett D Mole
Company secretary	S Gamble
Company number	00171970
Registered office	Banks's Stadium Walsall West Midlands WS1 4SA
Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH

The Walsall Football Club Limited

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The Walsall Football Club Limited

Chairman's Statement For the Year Ended 31 May 2017

On behalf of the Board of Directors I am pleased to present the annual report and accounts for the year ended 31 May 2017.

I am delighted to once again be able to announce a trading profit, this time of £215,000 (2016 - £417,000). In addition to this our borrowings have been significantly reduced over the year.

On-the-pitch, it was a transitional year as we commenced a new era under Jon Whitney, who enjoyed his first full season as First Team Manager after close to five years of stability under the previous regime.

Jon was immediately faced with a tough challenge as many of the squad who had achieved a play-off place in the previous season moved on to pastures new and he had to start assembling a squad more-or-less from scratch. Despite this, a comfortable mid-table finish was achieved giving us something to build upon moving forward.

A run of six successive home League victories (for the first time since 2006) and a trio of victories against all conquering runaway winners of League One, Sheffield United, home and away in the League and away again in the Cup being some of the highlights of the campaign.

The importance of the Academy again shone through with no fewer than seven Academy Graduates making their First Team debut during the year – Mitchel Candlin, Callum Cockerill-Mollett, Tobias Hayles-Docherty, Maz Kouhyar, Kory Roberts, Jordon Sangha and Will Shorrocks. All are now on professional contracts.

In addition to these, second year scholars Cameron Peters, Sam Tonks and Dan Vann, have also signed professional terms.

This is a fantastic return on the significant investment the Club makes each year into the Academy. I'm sure there will be many other clubs across the country that would be proud to be able to boast such a record.

Many of these players featured heavily in our successful Walsall Senior Cup winning squad.

Off the Pitch, we continued to build the Walsall FC Brand and there were some notable commercial developments.

We were extremely pleased to extend our 'Stadium Naming Rights' sponsorship with long-term commercial partner Marstons until the summer of 2022. We are proud to carry the famous and prestigious name, The Banks's Stadium, as our home, a brand and company that is synonymous with the local area and community.

Similarly, we managed to secure a five-year extension to the 'Shirt Sponsorship' deal with another major player in the local economy, HomeServe. Their branding fits perfectly with the Club colours and the Team will carry their logo all the way through until the 2021-2022 Season.

I would like to thank both for their continued commitment towards the Club.

The year also saw us embark on our first standalone foray into the digital advertising world with an investment in two new M6 Motorway facing digital advertising screens. We believe we have the ideal location to benefit from significant advertising revenue that will generate substantial bottom line profits to go straight into the Playing Budget for many years to come.

In addition to this, we have continued to enjoy fantastic support from all of our other Commercial Partners and Sponsors. I would like to place on record my personal thanks to those organisations and individuals who have invested in the Club over the season and have contributed towards everything we as a Club have achieved.

In particular, I would like to thank St. Francis Group, Dains LLP, the Walsall FC Community Programme, the University of Wolverhampton, Acorn Group, Accord Housing, Tile Choice, SPV Group, Excel Print and Bailey & Mackey Ltd.

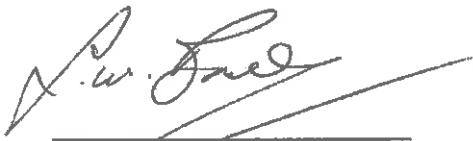
The Walsall Football Club Limited

**Chairman's Statement
For the Year Ended 31 May 2017**

Once again, I would like to pay tribute to the Community Team who enrich the lives of so many local people and of course my fellow Board members and Staff at the Banks's Stadium for their ongoing commitment and dedication.

Finally, on behalf of everyone at Walsall Football Club I would like to say a big thank you to the Supporters. As always, they have been exceptional and I would like to assure them all that all of our efforts are focused on giving them a Team and a Club to be proud of.

This report was approved by the board on 25 August 2017 and signed on its behalf.



J W Benser
Director

The Walsall Football Club Limited

Directors' Report For the Year Ended 31 May 2017

The directors present their report and the financial statements for the year ended 31 May 2017.

Principal activity

The principal activity of the company continued to be that of a Professional Football League Club.

Results and dividends

The profit for the year, after taxation, amounted to £215,000 (2016 - £417,000).

The directors do not recommend payment of a dividend (2016 - £nil).

Directors

The directors who served during the year were:

J W Bonser
K R Whalley
R C Bonser
R Tisdale
N C Bond
S Gamble
P Gilman
L Pomlett
D Mole

The directors who retire by rotation are D S Mole and R C Bonser who, being eligible, offer themselves for re-election.

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Chairman's Statement and form part of this report by cross reference.

The Walsall Football Club Limited

**Directors' Report (continued)
For the Year Ended 31 May 2017**

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

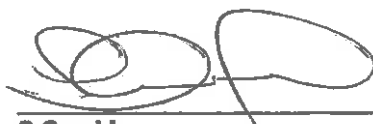
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

Auditors

The auditors, Dains LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 August 2017 and signed on its behalf.



S Gamble
Director

The Walsall Football Club Limited

Independent Auditors' Report to the Members of The Walsall Football Club Limited

We have audited the financial statements of The Walsall Football Club Limited for the year ended 31 May 2017, set out on pages 7 to 27. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Statement and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Chairmans Statement and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those accounts.

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

The Walsall Football Club Limited

Independent Auditors' Report to the Members of The Walsall Football Club Limited (continued)

Matters on which we are required to report by exception

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

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



Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

25 August 2017

The Walsall Football Club Limited

**Profit and Loss Account
For the Year Ended 31 May 2017**

	Note	2017 £000	2016 £000
Turnover		6,637	6,569
Net operating costs		(6,371)	(6,096)
Operating profit	5	266	473
Interest payable and similar expenses	8	(51)	(56)
Profit before tax		215	417
Tax on profit	9	-	-
Profit for the financial year		215	417

The notes on pages 12 to 27 form part of these financial statements.

The Walsall Football Club Limited

**Statement of Comprehensive Income
For the Year Ended 31 May 2017**

	2017	2016
	£000	£000
Profit for the financial year	215	417
Total comprehensive income for the year	215	417


The notes on pages 12 to 27 form part of these financial statements.

The Walsall Football Club Limited
Registered number:00171970

Balance Sheet
As at 31 May 2017

	Note	2017 £000	2016 £000
Fixed assets			
Intangible assets	10	110	-
Tangible assets	11	6,503	6,310
		<u>6,613</u>	<u>6,310</u>
Current assets			
Stocks	12	44	61
Debtors: amounts falling due within one year	13	1,125	1,562
Cash at bank and in hand	14	26	46
		<u>1,195</u>	<u>1,669</u>
Creditors: amounts falling due within one year	15	(2,513)	(2,520)
Net current liabilities		<u>(1,318)</u>	<u>(851)</u>
Total assets less current liabilities		<u>5,295</u>	<u>5,459</u>
Creditors: amounts falling due after more than one year	16	(1,849)	(2,228)
Net assets		<u><u>3,446</u></u>	<u><u>3,231</u></u>
Capital and reserves			
Called up share capital	20	50	50
Other reserves	21	4,113	4,113
Profit and loss account	21	(717)	(932)
		<u>3,446</u>	<u>3,231</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 August 2017.


J W Bonser
 Director

The notes on pages 12 to 27 form part of these financial statements.

The Walsall Football Club Limited

**Statement of Changes in Equity
For the Year Ended 31 May 2017**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 June 2016	50	4,113	(932)	3,231
Comprehensive income for the year				
Profit for the year	-	-	215	215
At 31 May 2017	50	4,113	(717)	3,446

**Statement of Changes in Equity
For the Year Ended 31 May 2016**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 June 2015	50	4,113	(1,349)	2,814
Comprehensive income for the year				
Profit for the year	-	-	417	417
At 31 May 2016	50	4,113	(932)	3,231

The notes on pages 12 to 27 form part of these financial statements.

The Walsall Football Club Limited

**Statement of Cash Flows
For the Year Ended 31 May 2017**

	2017 £000	2016 £000
Cash flows from operating activities		
Profit for the financial year	215	417
Adjustments for:		
Amortisation of intangible assets	51	-
Depreciation of tangible assets	201	207
Impairments of fixed assets	18	-
Loss on disposal of tangible assets	303	-
Interest paid	51	56
Decrease/(increase) in stocks	17	(3)
Decrease/(increase) in debtors	437	(698)
(Decrease)/increase in creditors	(233)	428
Net cash generated from operating activities	<u>1,060</u>	<u>407</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(179)	-
Purchase of tangible fixed assets	(757)	(110)
Sale of tangible fixed assets	60	-
HP interest paid	(2)	(3)
Net cash from investing activities	<u>(878)</u>	<u>(113)</u>
Cash flows from financing activities		
New secured loans	200	-
Repayment of other loans	(338)	(170)
Repayment of finance leases	(43)	(27)
Interest paid	(49)	(53)
Net cash used in financing activities	<u>(230)</u>	<u>(250)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(48)</u>	<u>44</u>
Cash and cash equivalents at beginning of year	(176)	(220)
Cash and cash equivalents at the end of year	<u>(224)</u>	<u>(176)</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	26	46
Bank overdrafts	(250)	(222)
	<u>(224)</u>	<u>(176)</u>

The notes on pages 12 to 27 form part of these financial statements.

The Walsall Football Club Limited

Notes to the Financial Statements For the Year Ended 31 May 2017

1. General information

The Walsall Football Club Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given in the company information section. The nature of the company's operations and its principal activities are set out in the directors report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

The company is currently reporting net current liabilities of £1.318m (2016 - £0.851m). The directors have confirmed their intentions to provide the necessary financial support for a period of 24 months from the date of signing these financial statements. Furthermore, the directors have prepared cash flow forecasts which show that the club is able to meet its debts as they fall due in the foreseeable future. On the basis of this support and the cash flow forecasts the financial statements have been prepared on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Intangible assets

The cost of players' registrations is capitalised and amortised over the period of the respective players' contracts in accordance with Financial Reporting Standard 102 Section 18 Intangible assets other than Goodwill.

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed 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 provided on the following basis:

Football stadium and training ground	-	not depreciated - see below
Motor vehicles	-	10% to 25% straight line
Fixtures, fittings and equipment	-	5% to 20% straight line

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.

No depreciation is provided in respect of the football stadium on long leasehold and the training ground. It is the company's practice to maintain these assets to a high standard and make necessary improvements thereto from time to time and accordingly, the directors consider that the lives of the assets are so long, and residual values are so high, that their depreciation would not be material and therefore is not charged in the profit and loss account. The directors perform an annual impairment review in accordance with Financial Reporting Standard 102 Section 17 - Property, plant and equipment and Section 27 Impairment of Assets, to ensure that the recoverable amount is not lower than the carrying value.

2.6 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.10 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in 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.

2.11 Creditors

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

2.12 Contingent appearance fees

Where the directors consider the likelihood of a player meeting future appearance criteria laid down in the transfer agreement of that player to be probable, provision for this cost is made. If the likelihood of meeting these criteria is not probable, no provision is made.

2.13 Finance costs

Finance costs are charged to the profit and loss account 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.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

The Walsall Football Club Limited

Notes to the Financial Statements For the Year Ended 31 May 2017

2. Accounting policies (continued)

2.15 Leased assets: the Company as lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 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 profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. 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 pension plan. As there is an agreement in place with the multi-employer plan that determines how the entity will fund its share of the overall deficit, the company will recognise a liability for the contributions payable from the agreement.

2.17 Taxation

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

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

2.18 Controlling party

The ultimate controlling party is J W Bonser, a director and chairman of the club.

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

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

In the application of the company's accounting policies which are described in note 2, the directors are required to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of the football stadium and training ground, and have concluded that asset lives and residual values are appropriate.

Turnover

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

	2017 £000	2016 £000
Match receipts	1,081	1,506
Football and commercial income	5,556	5,063
	<u>6,637</u>	<u>6,569</u>

All turnover arose within the United Kingdom.

4. Net operating cost

	2017 £000	2016 £000
Staff costs	3,385	3,447
Depreciation	201	207
Amortisation	51	-
Impairment	18	-
Other operating charges	2,716	2,442
	<u>6,371</u>	<u>6,096</u>

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

5. Operating profit

The operating profit is stated after charging:

	2017	2016
	£000	£000
Depreciation of tangible assets	201	207
Amortisation of intangible assets	51	-
Loss on sale of tangible assets	303	-
Impairment of intangible assets	18	-
Fees payable to the company's auditor for the audit of the company's annual financial statements	6	6
Other operating lease rentals - Football stadium, training ground, overflow car park and machinery	449	400
	<u>449</u>	<u>400</u>

6. Employees

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

	2017	2016
	£000	£000
Wages and salaries	3,122	3,166
Social security costs	249	270
Cost of defined contribution scheme	14	11
	<u>3,385</u>	<u>3,447</u>

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

	2017	2016
	No.	No.
Playing and coaching staff	82	76
Other staff	46	44
	<u>128</u>	<u>120</u>

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

7. Directors' remuneration

	2017	2016
	£000	£000
Directors' emoluments	184	169
Company contributions to defined contribution pension schemes	8	5
	192	174

During the year retirement benefits were accruing to 2 directors (2016 - 2) in respect of defined contribution pension schemes.

8. Interest payable and similar charges

	2017	2016
	£000	£000
Other loan interest payable	5	6
Finance leases and hire purchase contracts	2	3
Other interest payable	44	47
	51	56

9. Taxation

	2017	2016
	£000	£000
Current tax on profits for the year	-	-
Total current tax	-	-

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £000	2016 £000
Profit on ordinary activities before tax	215	417
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	43	83
Effects of:		
Expenses not deductible for tax purposes	11	1
Ineligible depreciation of fixed assets	65	10
Utilisation of tax losses	(119)	(94)
Total tax charge for the year	-	-

Factors that may affect future tax charges

The company has estimated losses of £721,000 (2016 - £1,183,000) available for carry forward against future trading profits.

The asset that would arise in respect of these amounting to £93,000 (2016 - £237,000) has not been recognised as the directors are unable to satisfy themselves that it is more likely than not that sufficient taxable profits will arise in the next accounting period.

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

10. Intangible assets

	Player registrations £000
Cost	
Additions	179
At 31 May 2017	<u>179</u>
Amortisation	
Charge for the year	51
Impairment charge	18
At 31 May 2017	<u>69</u>
Net book value	
At 31 May 2017	<u>110</u>
At 31 May 2016	<u>0</u>

The Walsall Football Club Limited

Notes to the Financial Statements
For the Year Ended 31 May 2017

11. Tangible fixed assets

	Football stadium and training ground £000	Fixtures and fittings, equipment and motor vehicles £000	Total £000
Cost or valuation			
At 1 June 2016	6,047	3,923	9,970
Additions	29	728	757
Disposals	(283)	(963)	(1,246)
At 31 May 2017	<u>5,793</u>	<u>3,688</u>	<u>9,481</u>
Depreciation			
At 1 June 2016	611	3,049	3,660
Charge for the year on owned assets	-	187	187
Charge for the year on financed assets	-	14	14
Disposals	(15)	(868)	(883)
At 31 May 2017	<u>596</u>	<u>2,382</u>	<u>2,978</u>
Net book value			
At 31 May 2017	<u>5,197</u>	<u>1,306</u>	<u>6,503</u>
At 31 May 2016	<u>5,436</u>	<u>874</u>	<u>6,310</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £000	2016 £000
Furniture, fittings and equipment and motor vehicles	-	68

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

12. Stocks

	2017	2016
	£000	£000
Finished goods and goods for resale	<u>44</u>	<u>61</u>

13. Debtors

	2017	2016
	£000	£000
Trade debtors	891	482
Other debtors	15	726
Prepayments and accrued income	219	354
	<u>1,125</u>	<u>1,562</u>

14. Cash and cash equivalents

	2017	2016
	£000	£000
Cash at bank and in hand	26	46
Less: bank overdrafts	(250)	(222)
	<u>(224)</u>	<u>(176)</u>

15. Creditors: Amounts falling due within one year

	2017	2016
	£000	£000
Bank overdrafts	250	222
Bank loans	150	-
Other loans	215	186
Trade creditors	527	522
Other taxation and social security	124	262
Obligations under finance lease and hire purchase contracts	-	24
Other creditors	1,228	907
Accruals for contractual obligations for player fees	19	397
	<u>2,513</u>	<u>2,520</u>

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

16. Creditors: Amounts falling due after more than one year

	2017	2016
	£000	£000
Bank loans	50	-
Other loans	1,652	2,019
Net obligations under finance leases and hire purchase contracts	-	19
Other creditors	147	190
	1,849	2,228

Secured loans

The bank overdraft of £250,000 (2016 - £222,000) is secured by a personal guarantee given by J W Bonser, together with a debenture on the banks standard form.

Net obligations under hire purchase contracts of £nil (2016 - £43,000) are secured against the assets to which they relate to.

Included within Directors' loans are loans of £600,000 (2016 - £600,000) which are secured by way of a legal charge over the football stadium. The remaining balance is unsecured.

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

17. Loans

Analysis of the maturity of loans is given below:

	2017 £000	2016 £000
Amounts falling due within one year		
Bank loans	150	-
Other loans	215	186
	<u>365</u>	<u>186</u>
Amounts falling due 1-2 years		
Bank loans	50	-
Other loans	173	158
	<u>223</u>	<u>158</u>
Amounts falling due 2-5 years		
Other loans	1,054	1,129
	<u>1,054</u>	<u>1,129</u>
Amounts falling due after more than 5 years		
Other loans	425	732
	<u>425</u>	<u>732</u>
	<u>2,067</u>	<u>2,205</u>

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £000	2016 £000
Within one year	-	24
Between 1-2 years	-	19
	<u>-</u>	<u>43</u>

The Walsall Football Club Limited

**Notes to the Financial Statements
For the Year Ended 31 May 2017**

19. Financial instruments

	2017	2016
	£000	£000
Financial assets		
Financial assets measured at undiscounted amount receivable	932	1,254
	932	1,254
Financial liabilities		
Financial liabilities measured at amortised cost	(2,317)	(2,470)
Financial liabilities at undiscounted amount payable	(1,902)	(1,619)
	(4,219)	(4,089)

Financial assets measured at the undiscounted amount receivable comprise trade debtors, other debtors and cash and cash equivalents (See note 13 and 14).

Financial liabilities measured at amortised cost comprise bank and other loans and net obligations under finance leases and hire purchase contracts payable within one and over one year (See note 15 and 16).

Financial liabilities measured at the undiscounted amount payable comprise trade and other creditors falling due within one year (See note 15 and 16).

20. Share capital

	2017	2016
	£000	£000
Shares classified as equity		
Allotted, called up and fully paid 50,000 ordinary shares of £1 each	50	50

21. Reserves

Other reserves

Other reserves represents capital contribution made to the company.

Profit and loss account

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

The Walsall Football Club Limited

Notes to the Financial Statements For the Year Ended 31 May 2017

22. Pension commitments

Certain members of the company are members of either the Football League Limited Players Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pensions and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the company is one of a number of participating employers in the FLLPLAS, the scheme's actuary has advised that it is not possible to allocate any actuarial surplus or deficit on a meaningful basis and accordingly, no disclosures are made under the provision of FRS17. Contributions are expensed in the profit and loss account as they become payable. For the purposes of FRS17 the scheme is accounted as a multiple employer scheme. The assets of that scheme are being held separately from those of the company, being invested with insurance companies.

Following a review of the Minimum Funding Requirement (MFR) of the FLLPLAS, accruals of benefits on the final salary section of the scheme was suspended as at 31 August 1999. Since then, the Trustees of the scheme commissioned an independent Actuary's report of the MFR position and a substantial deficit was identified.

Under the Pensions Act 1995, participating employers were required to contribute to the deficiency, in accordance with an agreed Schedule of Contributions beginning on 1 August 2001 which was agreed by the Trustees and their advisers. The company's liability in respect of its share of the deficit has decreased to £188,292 (2016 - £225,345) at the balance sheet date.

Contributions are also paid into individuals' private pension schemes. Total contributions across all schemes during the year amounted to £8,415 (2016 - £4,744).

23. Commitments under operating leases

At 31 May 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £000	2016 £000
Later than 5 years	440	440

There are 11 years remaining until the next break clause in the lease.

The Walsall Football Club Limited

Notes to the Financial Statements For the Year Ended 31 May 2017

24. Related party transactions

During the normal course of business, the company entered into the following arrangements in which the directors have an interest:

a) During the year J W Bonser loaned the company £Nil (2016 - £Nil) and received repayments of loans, net of interest charged, by the company totalling £288,101 (2016 - £153,259). The balance owing to J W Bonser at the year end is £1,111,153 (2016 - £1,399,254).

b) At the year end the company owed loans to the following directors: N C Bond a balance of £222,917 (2016 - £247,917), L Pomlett a balance of £222,917 (2016 - £247,917) and R Tisdale a balance of £10,000 (2016 - £10,000). During the year interest of £6,208 (2016 - £6,208) has been charged and paid in respect of these loans.

c) The company made sales of £1,200 (2016 - £1,200) to Sign Specialists Limited. R Tisdale is a director and has an interest in Sign Specialists Limited. At the 31 May 2017 Sign Specialists Limited owed the company £Nil (2016 - £Nil).

d) The company made sales of £22,098 (2016 - £10,470) to Walsall F.C. Community Programme, a company which has common directorships held. At the 31 May 2017 Walsall F.C. Community Programme owed the company £833 (2016 - £833). The company made purchases of £250 (2016 - £200) from Walsall F.C. Community Programme. At the 31 May 2017 Walsall F.C. Community Programme was owed by the company £nil (2016 - £nil).

e) The company made sales of £7,770 (2016 - £7,742) to Pom's Kitchen and Deli Limited, a company which L Pomlett is a director. At the 31 May 2017 Pom's Kitchen and Deli Limited owed the company £Nil (2016 - £Nil).

f) The company made purchases of £11,470 (2016 - £nil) from CEVA Freight (UK) Limited, a company which L Pomlett is a director. At the 31 May 2017 the company owed CEVA Freight (UK) Limited £nil (2016 - £nil).