

Company Registration No. 04689338 (England and Wales)

YORK CITY FOOTBALL CLUB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018
PAGES FOR FILING WITH REGISTRAR



YORK CITY FOOTBALL CLUB LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 9

YORK CITY FOOTBALL CLUB LIMITED

BALANCE SHEET

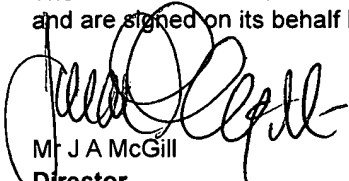
AS AT 30 JUNE 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Intangible assets	3		65,349		77,715
Tangible assets	4		139,142		162,065
Investments	5		3,764,715		3,764,715
			<u>3,969,206</u>		<u>4,004,495</u>
Current assets					
Debtors	6	209,599		297,916	
Cash at bank and in hand		111,425		138,999	
		<u>321,024</u>		<u>436,915</u>	
Creditors: amounts falling due within one year	7	<u>(7,397,092)</u>		<u>(6,246,412)</u>	
Net current liabilities			<u>(7,076,068)</u>		<u>(5,809,497)</u>
Total assets less current liabilities			<u>(3,106,862)</u>		<u>(1,805,002)</u>
Creditors: amounts falling due after more than one year	8		<u>(2,374,931)</u>		<u>(2,369,123)</u>
Net liabilities			<u><u>(5,481,793)</u></u>		<u><u>(4,174,125)</u></u>
Capital and reserves					
Called up share capital	9		550,000		550,000
Share premium account			12,500		12,500
Revaluation reserve	10		1,753,600		1,753,600
Profit and loss reserves			<u>(7,797,893)</u>		<u>(6,490,225)</u>
Total equity			<u><u>(5,481,793)</u></u>		<u><u>(4,174,125)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 26 March 2019 and are signed on its behalf by:


Mr J A McGill
Director

Company Registration No. 04689338

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

York City Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bootham Crescent, York, North Yorkshire, YO30 7AQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of JM Packaging Limited. These consolidated financial statements are available from its registered office, 5 Malton Enterprise Park, Malton, North Yorkshire YO17 6AB.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources available to continue in operational existence for the foreseeable future although this ability is entirely dependant upon financial support being maintained by the Parent Company, JM Packaging Limited, who have provided an assurance funding would be made available for 12 months from the date on which these financial statements are signed.

Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Straight line over 10 years
Fixtures and fittings	10% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 70 (2017 - 89).

The company participates in The Football League Limited Pension and Life Assurance Scheme, a defined benefit scheme. Included in staff pension costs for the year is £145,434 in respect of additional deficit funding contributions payable by the company, following a recent triennial valuation of that scheme.

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 July 2017 and 30 June 2018	247,321
Amortisation and impairment	
At 1 July 2017	169,606
Amortisation charged for the year	12,366
At 30 June 2018	181,972
Carrying amount	
At 30 June 2018	65,349
At 30 June 2017	77,715

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2017 and 30 June 2018	170,640	164,345	334,985
Depreciation and impairment			
At 1 July 2017	53,982	118,939	172,921
Depreciation charged in the year	17,064	5,858	22,922
At 30 June 2018	71,046	124,797	195,843
Carrying amount			
At 30 June 2018	99,594	39,548	139,142
At 30 June 2017	116,658	45,407	162,065

5 Fixed asset investments

	2018 £	2017 £
Investments	3,764,715	3,764,715

The company's investment in its subsidiary, Bootham Crescent Holdings Limited, is included at revaluation. The investment revaluation during 2012 was undertaken by J. A. McGill, a director of the company, on an open market basis.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2017 & 30 June 2018	3,764,715
Carrying amount	
At 30 June 2018	3,764,715
At 30 June 2017	3,764,715

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	38,819	54,461
Other debtors	48,356	121,031
	<u>87,175</u>	<u>175,492</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>122,424</u>	<u>122,424</u>
Total debtors	<u>209,599</u>	<u>297,916</u>

7 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	107,561	130,957
Amounts due to group undertakings	6,959,572	5,809,401
Other taxation and social security	37,378	41,647
Other creditors	292,581	264,407
	<u>7,397,092</u>	<u>6,246,412</u>

8 Creditors: amounts falling due after more than one year	2018	2017
	£	£
Other creditors	<u>2,374,931</u>	<u>2,369,123</u>

The loan is secured by a charge over freehold property, a football stadium and land, which is owned by Bootham Crescent Holdings Limited, a subsidiary of the company, with interest being payable at bank base rate plus 0.5%.

Creditors which fall due after five years are as follows:	2018	2017
	£	£
Payable other than by instalments	<u>2,374,931</u>	<u>2,369,123</u>

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

9	Called up share capital	2018	2017
		£	£
	Ordinary share capital		
	Issued and fully paid		
	137,500 Ordinary 'A' of £1 each	137,500	137,500
	412,500 Ordinary 'B' of £1 each	412,500	412,500
		<u>550,000</u>	<u>550,000</u>

A fixed cumulative preferential dividend of £33,000 per year accrues on all Ordinary B shares but it is not payable until the disposal of the property held by the company's subsidiary. The balance outstanding in respect of unpaid dividends at 30 June 2018 is £396,000 (2017 £363,000).

10	Revaluation reserve	2018	2017
		£	£
	At beginning and end of year	<u>1,753,600</u>	<u>1,753,600</u>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was Henton & Co LLP.

YORK CITY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

12 Related party transactions

Transactions with related parties

None of the company's directors charge the company for their daily expenses in managing the football club.

The company has use of the property owned by its subsidiary, Bootham Crescent Holdings Limited, on a rent free basis.

J A McGill is also a director of JM Packaging Limited, the parent company. During the year the Company had a loan from JM Packaging Limited with Interest charged at 11% in respect of the initial tranche of £650,000 and 6% in respect of the balance. Interest payable during the year was £460,865 (2017 £387,011) and an amount of £71,008 (2017 £60,701) was also due in respect of non-payment of preferential dividends relating to the Ordinary B Shares. The amount outstanding in respect of the loan at 30 June 2018 was £6,606,037 (2017 £5,525,173).

J A McGill is also a director of York City Football Club Foundation Limited, a charity to promote participation in sport across North Yorkshire. During the year the charity was charged £25,000 (2017 £50,000) for the use of facilities at Bootham Crescent.

13 Parent company

The parent company is JM Packaging Limited, a company registered in England & Wales which owns 75% of the total issued share capital of the company.