

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019
FOR
BLACKPOOL FOOTBALL CLUB LIMITED (THE)**

Sedulo Audit Limited
Statutory Auditors
Regency Court
62-66 Deansgate
Manchester
M3 2EN

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FOR THE YEAR ENDED 30 JUNE 2019**

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BLACKPOOL FOOTBALL CLUB.LIMITED(THE)

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2019**

DIRECTORS:

S P Sadler
B Gerrity
B Mansford

REGISTERED OFFICE:

Blackpool FC Stadium
Bloomfield Road
Blackpool
FY1 6JJ

REGISTERED NUMBER:

00048409 (England and Wales)

AUDITORS:

Sedulo Audit Limited
Statutory Auditors
Regency Court
62-66 Deansgate
Manchester
M3 2EN

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their strategic report for the year ended 30 June 2019.

REVIEW OF BUSINESS

The principal activity of the company is that of a professional football club, which has continued throughout the year. In the year under review the Club was in League 1, the third tier of English professional football.

In the League Cup the Club lost in the fourth round to Arsenal, who also knocked the club out of the FA Cup third round. These two games ensured an increase in gate receipts on the prior season

The club was participating in League 1 for the 2018/19 season for the second year running, meaning there was an increase in the Football League distribution to the club. The club managed to finish 10th in the League retaining their position in League 1 for the 2019/20 season, this was a 2 place increase over the 2017/18 season finish of 12th.

STRATEGY AND OBJECTIVES

The directors will be focused on achieving promotion back to the Championship. The strategy to achieve this objective includes the following key elements:

- Identifying talented players and securing these players on contracts within financial parameters
- Developing young players through the club's academy system
- Increasing the company's turnover through all revenue streams available

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the club continues to be its divisional status in the professional football league due to the material effect a change in this has on all revenue streams. Furthermore, the directors consider that any changes in regulations imposed by the football regulatory authorities could similarly impact on revenue streams.

In addition, the club has been run against a backdrop of shareholder dispute which has impacted on day to day management and resulted in a fan boycott with attendant impact on gate receipts and related sales. Prior to the year end the club was been sold and the fan boycott ended and the directors anticipate that this will mitigate the risks associated with these factors.

As explained at note 2 the directors have provided an assessment of uncertainties arising from the COVID-19 pandemic and the impact on the company.

In order to manage all risks the board and senior management team have put in place regular meetings to ensure risks are identified and appropriate action taken.

KEY PERFORMANCE INDICATORS

The performance of the team is monitored by results and football league tables, and the commercial operations of the business are measured in monthly accounts and monitored against budgets. Turnover for the period was £4.6m (2018: £3.3m) from which a loss, excluding extraordinary items, of £2.1m (2018: £1.4m) was made and the club had year end cash and bank balances of £199k (2018: £369k).

ON BEHALF OF THE BOARD:

B Mansford - Director

30 June 2020

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their report with the financial statements of the company for the year ended 30 June 2019.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2019.

DIRECTORS

The directors who have held office during the period from 1 July 2018 to the date of this report are as follows:

Miss N Christopher - resigned 25 February 2019

I W Currie - appointed 25 February 2019

B Hatton - appointed 25 February 2019

O J Oyston - resigned 25 February 2019

K Varpins - resigned 25 February 2019

S P Sadler - appointed 13 June 2019

M J Bolingbroke - appointed 10 April 2019

B Gerrity - appointed 13 June 2019

B Mansford was appointed as a director after 30 June 2019 but prior to the date of this report.

M J Bolingbroke , B Hatton and I W Currie ceased to be directors after 30 June 2019 but prior to the date of this report.

DONATIONS AND EXPENDITURE

There were no donations made during the financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2019**

AUDITORS

The auditors, Sedulo Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

B Mansford - Director

30 June 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLACKPOOL FOOTBALL CLUB.LIMITED(THE)

Opinion

We have audited the financial statements of Blackpool Football Club.limited(The) (the 'company') for the year ended 30 June 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss 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.

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 Auditors' 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.

Material uncertainty relating to going concern

We draw attention to note 2 to the financial statements, which indicates that the company has incurred further losses since the year end, is forecasting net operational cash outflows and is reliant on further external funding in order to continue its activities into the foreseeable future. As stated in note 2 these conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to note 2 to the financial statements, under the heading "Going concern" which explains the directors' assessment of uncertainties arising from the COVID-19 pandemic and their impact on the company.

We draw attention to note 8 to the financial statements which explains the reasons and effect of a material write off of balances due from fellow group companies, and to note 5 to the financial statements which explains the reasons and effect of certain material impairments and provisions made in the accounts.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLACKPOOL FOOTBALL CLUB.LIMITED(THE)

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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLACKPOOL FOOTBALL CLUB.LIMITED(THE)**

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 a Report of the Auditors 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.

Raymond Davidson (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited
Statutory Auditors
Regency Court
62-66 Deansgate
Manchester
M3 2EN

9 July 2020

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

		Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
	Notes		
TURNOVER	3	4,635,956	3,321,353
Cost of sales		<u>575,540</u>	<u>475,494</u>
GROSS PROFIT		4,060,416	2,845,859
Administrative expenses		<u>7,051,653</u> (2,991,237)	<u>6,586,102</u> (3,740,243)
Other operating income		<u>607,853</u>	<u>533,716</u>
OPERATING LOSS	5	(2,383,384)	(3,206,527)
Extraordinary items	6	(476,035)	(30,963,062)
Profit/loss on player transfer fees	6	<u>218,557</u> (2,640,862)	<u>1,801,125</u> (32,368,464)
Interest receivable and similar income		<u>-</u>	<u>445</u>
LOSS BEFORE TAXATION		(2,640,862)	(32,368,019)
Tax on loss	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(2,640,862)</u>	<u>(32,368,019)</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

		Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
	Notes		
LOSS FOR THE YEAR		(2,640,862)	(32,368,019)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(2,640,862)</u>	<u>(32,368,019)</u>

BLACKPOOL FOOTBALL CLUB.LIMITED(THE) (REGISTERED NUMBER: 00048409)

BALANCE SHEET
30 JUNE 2019

	Notes	30.6.19 £	£	30.6.18 £	£
FIXED ASSETS					
Intangible assets	8		-		55,000
Tangible assets	9		<u>299,621</u>		<u>258,931</u>
			299,621		313,931
CURRENT ASSETS					
Stocks	10	44,317		66,716	
Debtors	11	974,859		1,704,702	
Cash at bank		<u>198,897</u>		<u>369,311</u>	
		1,218,073		2,140,729	
CREDITORS					
Amounts falling due within one year	12	<u>2,856,431</u>		<u>1,152,535</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(1,638,358)</u>		<u>988,194</u>
TOTAL ASSETS LESS CURRENT					
LIABILITIES			<u>(1,338,737)</u>		<u>1,302,125</u>
CAPITAL AND RESERVES					
Called up share capital	15		37,500		37,500
Share premium	16		1,860,174		1,860,174
Capital redemption reserve	16		2,335		2,335
Retained earnings	16		<u>(3,238,746)</u>		<u>(597,884)</u>
SHAREHOLDERS' FUNDS			<u>(1,338,737)</u>		<u>1,302,125</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 June 2020 and were signed on its behalf by:

B Mansford - Director

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

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 June 2017	37,500	31,770,135	1,860,174	2,335	33,670,144
Changes in equity					
Total comprehensive income	-	(32,368,019)	-	-	(32,368,019)
Balance at 30 June 2018	37,500	(597,884)	1,860,174	2,335	1,302,125
Changes in equity					
Total comprehensive income	-	(2,640,862)	-	-	(2,640,862)
Balance at 30 June 2019	37,500	(3,238,746)	1,860,174	2,335	(1,338,737)

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

		Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	(66,171)	(1,699,464)
Net cash from operating activities		<u>(66,171)</u>	<u>(1,699,464)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(25,000)	(110,000)
Purchase of tangible fixed assets		(91,746)	(3,447)
Sale of intangible fixed assets		12,500	-
Interest received		-	445
Net cash from investing activities		<u>(104,246)</u>	<u>(113,002)</u>
Cash flows from financing activities			
Inter-company loans		-	(3,795,791)
Amount withdrawn by directors		-	(71,530)
Net cash from financing activities		<u>-</u>	<u>(3,867,321)</u>
Decrease in cash and cash equivalents		<u>(170,417)</u>	<u>(5,679,787)</u>
Cash and cash equivalents at beginning of year	2	369,311	6,049,098
Cash and cash equivalents at end of year	2	<u>198,894</u>	<u>369,311</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**
1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
Loss before taxation	(2,640,862)	(32,368,019)
Depreciation charges	130,410	209,055
Impairment of tangible fixed assets	-	60,563
Provision versus former directors loan	-	175,840
Extraordinary items	406,287	30,963,062
Finance income	-	(445)
	<u>(2,104,165)</u>	<u>(959,944)</u>
Decrease in stocks	22,399	-
Decrease/(increase) in trade and other debtors	729,843	(606,912)
Increase/(decrease) in trade and other creditors	<u>1,285,752</u>	<u>(132,608)</u>
Cash generated from operations	<u>(66,171)</u>	<u>(1,699,464)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2019

	30.6.19 £	1.7.18 £
Cash and cash equivalents	198,897	369,311
Bank overdrafts	(3)	-
	<u>198,894</u>	<u>369,311</u>

Period ended 30 June 2018

	30.6.18 £	1.6.17 £
Cash and cash equivalents	<u>369,311</u>	<u>6,049,098</u>

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

1. STATUTORY INFORMATION

Blackpool Football Club.limited(The) is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The principal activity during the period was that of a professional football club.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 £.

Going concern

In common with virtually every other business in the country, the company has been experiencing the effects of the Coronavirus pandemic. Whilst the full impact of this exceptional situation on the company cannot be assessed with complete certainty at the current time, the Directors believe they have taken all possible steps to protect the company including accessing relevant Government assistance.

The company has furloughed a number of staff to mitigate costs but are planning on these returning within a relatively short timescale as the directors anticipate that activity will continue to gradually increase.

Future projections have been prepared to June 2021 include an assessment over the pandemic, which as at the time of this report means that, due to lockdown, the club is unable to have any fans in attendance at stadium for match, it is currently unknown how long this will be enforced for.

Due to this, the forecasts confirm that the company is expected to continue to record losses and incur further significant cash outflows, and accordingly the directors acknowledge that this indicates a material uncertainty over the company's ability to continue as a going concern and that steps require to be taken to address this. Further to the sale of the company on 13 June 2019 (see note 19) the directors expect that sufficient funds will be introduced into the company to enable it to meet its operational requirements, to restructure the business and to improve its future results.

Accordingly, the directors have at the time of approving the financial statements, a reasonable expectation that the company will have sufficient resources to continue in operational existence for the foreseeable future, and they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover comprises gate receipts, television and media, sponsorship and royalties, conference catering, retail and merchandising sales, exclusive of VAT.

Television media income is recognised in equal instalments during the season and gate receipt income is taken to the Income Statement when the matches are played.Sponsorship income is recognised over the life of the relevant agreements. Catering, retail and merchandising income are recognised upon the sale of the goods.

Intangible assets

Initial transfer fees paid in respect of players' contracts are capitalised at cost and amortised over the length of the contract. Additional fees paid, such as fees related to appearance criteria, are amortised over the remaining contract period from the date the fees are due.

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Plant and machinery	- 10% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 25% on cost

Tangible fixed assets are initially stated at cost and are subsequently stated at cost less accumulated depreciation and impairment losses.

Cost includes original purchase price of the asset and any costs incurred bringing the asset to its working condition for its intended use.

Impairment reviews are carried out at each reporting date and where the carrying value exceeds the estimated recoverable amount the asset is impaired accordingly. Any prior impairments are reviewed to identify reversals at each reporting date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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, which includes 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 net of any impairment losses, unless the arrangement constitutes a financing transaction where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets are reviewed annually for signs of impairment. Financial assets classified as receivable within one year are not amortised.

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, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2019
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.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
Gate receipts	1,396,632	376,042
Season tickets	206,442	267,318
Football pools	1,672,860	1,573,863
Bar and food sales	502,518	472,686
Youth development	485,501	411,637
Other	372,003	219,807
	<u>4,635,956</u>	<u>3,321,353</u>

All turnover arose within United Kingdom.

4. EMPLOYEES AND DIRECTORS

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

	Year to 30.06.19	Period 1.6.17 to 30.6.18
	£	£
Wages and salaries	4,444,216	4,004,491
Social security costs	242,155	218,195
Other pension costs	16,172	14,572
	<u>4,702,543</u>	<u>4,237,258</u>

The average number of employees during the period was as follows:

	Year to 30.06.19	Period 1.6.17 to 30.6.18
Footballers, coaches and managers	71	69
Administrative staff	43	34
	<u>114</u>	<u>103</u>

	Year to 30.06.19	Period 1.6.17 to 30.6.18
	£	£
Directors' remuneration	<u>20,000</u>	<u>30,000</u>

5. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 30.6.19	Period 1.6.17 to 30.6.18
	£	£
Hire of plant and machinery	724,657	579,880
Other operating leases	7,138	14,215
Depreciation - owned assets	51,056	103,547
Patents and licences amortisation	67,500	105,508
Auditors' remuneration	5,500	5,500
Impairment of tangible fixed assets	-	60,563
Bad debts	<u>-</u>	<u>175,840</u>

Impairment of tangible fixed assets in the prior year relates to full impairment of the carrying value of two vehicles registered to the company which are in the possession of former directors. Bad debts relates to full provision against a debtor balance due from a former director. The company continues to pursue recovery of the above assets but in view of uncertainties as to the successful outcome has elected to provide against the amounts in the accounts.

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

6. EXTRAORDINARY ITEMS

	Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
Extraordinary items	(476,035)	(30,963,062)
Profit/loss on player transfer fees	218,557	1,801,125
	<u>(257,478)</u>	<u>(29,161,937)</u>

Profit/loss on player transfer fees represents transfer fees received less the carrying unamortised value of the related original transfer fee, less transfer fee levy.

Write off of group debtors in the sum of £476,035 (2018: £30,963,062) is considered to be an extraordinary loss in the financial statements; this represents a full write off of balances due from the historic parent company, Blackpool Football Club Properties Limited, and full provision for balances due from a fellow subsidiary, Blackpool Football Club Hotel Limited.

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 30 June 2019 nor for the period ended 30 June 2018.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 30.6.19 £	Period 1.6.17 to 30.6.18 £
Loss before tax	<u>(2,640,862)</u>	<u>(32,368,019)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(501,764)	(6,149,924)
Effects of:		
Expenses not deductible for tax purposes	16,115	33,410
Income not taxable for tax purposes	(113,132)	(85)
Capital allowances in excess of depreciation	(10,471)	-
Depreciation in excess of capital allowances	-	24,709
Unrelieved tax losses	532,057	210,808
Blackpool FC Development Association Donations	-	(1,900)
Extraordinary items	<u>77,195</u>	<u>5,882,982</u>
Total tax charge	<u>-</u>	<u>-</u>

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

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 July 2018	370,000
Additions	25,000
Disposals	(320,000)
At 30 June 2019	<u>75,000</u>
AMORTISATION	
At 1 July 2018	315,000
Amortisation for year	67,500
Eliminated on disposal	(307,500)
At 30 June 2019	<u>75,000</u>
NET BOOK VALUE	
At 30 June 2019	-
At 30 June 2018	<u>55,000</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 July 2018	842,944	164,118	337,476	1,344,538
Additions	51,296	40,450	-	91,746
At 30 June 2019	<u>894,240</u>	<u>204,568</u>	<u>337,476</u>	<u>1,436,284</u>
DEPRECIATION				
At 1 July 2018	587,892	161,214	336,501	1,085,607
Charge for year	47,054	3,027	975	51,056
At 30 June 2019	<u>634,946</u>	<u>164,241</u>	<u>337,476</u>	<u>1,136,663</u>
NET BOOK VALUE				
At 30 June 2019	<u>259,294</u>	<u>40,327</u>	<u>-</u>	<u>299,621</u>
At 30 June 2018	<u>255,052</u>	<u>2,904</u>	<u>975</u>	<u>258,931</u>

10. STOCKS

	30.6.19 £	30.6.18 £
Stocks	<u>44,317</u>	<u>66,716</u>

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

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.19	30.6.18
	£	£
Trade debtors	548,205	1,440,835
Other debtors	117,537	8,459
Prepayments and accrued income	309,117	255,408
	<u>974,859</u>	<u>1,704,702</u>

Amounts owed by group undertakings have been fully impaired at the year end as explained at note 6, and balances due from former directors have been fully provided against as explained at note 5.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.19	30.6.18
	£	£
Bank loans and overdrafts (see note 13)	3	-
Trade creditors	906,747	658,123
Social security and other taxes	135,337	17,956
VAT	286,595	208,862
Other creditors	64,744	46,583
Accruals and deferred income	1,463,005	221,011
	<u>2,856,431</u>	<u>1,152,535</u>

13. LOANS

An analysis of the maturity of loans is given below:

	30.6.19	30.6.18
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>3</u>	<u>-</u>

14. LEASING AGREEMENTS

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

	30.6.19	30.6.18
	£	£
Within one year	14,945	14,944
Between one and five years	4,982	19,926
	<u>19,927</u>	<u>34,870</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30.6.19	30.6.18
Number:	Class:	Nominal value:	£	£
37,500	Ordinary	£1	<u>37,500</u>	<u>37,500</u>

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

16. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 July 2018	(597,884)	1,860,174	2,335	1,264,625
Deficit for the year	<u>(2,640,862)</u>	-	-	<u>(2,640,862)</u>
At 30 June 2019	<u>(3,238,746)</u>	<u>1,860,174</u>	<u>2,335</u>	<u>(1,376,237)</u>

17. RELATED PARTY DISCLOSURES

Included in other debtors is an amount owed by the former parent company, Blackpool Football Club (Properties) Limited of £25,778 (2018: £30,115,730). During the year a write off of the loan was agreed to the value of £30,520,430, which represented £30,115,730 already provided for in 2018 and a further £404,700 loaned during 2019, as explained in note 6. The amount was unsecured, interest free and repayable on demand.

Included in other debtors is an amount owed by a company with common directorships, Blackpool Football Club Hotel Limited of £918,667 (2018: £847,332). During the year a provision of the loan was agreed to the value of £71,335, as explained in note 6. The amount was unsecured, interest free and repayable on demand.

Included in other debtors is £nil (2018: £8,459) owed by Blackpool F.C. Community Trust. The amount is unsecured, interest free and repayable on demand.

Included in other debtors, is an amount owed from Mr K S Oyston, a former director, of £161,091 (2018: £175,840) against which full provision has been made as explained at note 5. The maximum amount owed during the year was £175,840. The loan is unsecured, interest free and repayable on demand.

Included within tangible fixed assets are motor vehicles, held by former directors, with a net book value of £60,563 (2018: £60,563) against which full impairment has been made as explained at note 5.

18. ULTIMATE CONTROLLING PARTY

On 13 June 2019 Blackpool Football Club (Properties) Limited sold its interest in Blackpool Football Club Limited to Blackpool Football Club Holdings Ltd; from this date the ultimate controlling party is S P Sadler.

As at 30 June 2019 the company was a subsidiary of Blackpool Football Club Holdings Ltd, a company incorporated in England & Wales, which held 100% of the issued share capital. The parent company was controlled by S P Sadler at 30 June 2019.

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