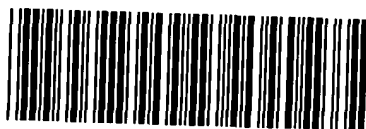


**REGISTERED NUMBER: 00053268 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MAY 2017  
FOR  
BURY FOOTBALL CLUB COMPANY LIMITED**

TUESDAY



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**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the Year Ended 31st May 2017**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Chairman's Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Statement of Comprehensive Income</b>	<b>7</b>
<b>Statement of Financial Position</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Statement of Cash Flows</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11</b>

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**BURY FOOTBALL CLUB COMPANY LIMITED**

**COMPANY INFORMATION**  
for the Year Ended 31st May 2017

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**DIRECTORS:** S P Day  
G Thomas  
Ms G M A Alberici

**SECRETARY:** Mrs J Neville

**REGISTERED OFFICE:** Gigg Lane  
Bury  
Lancashire  
BL9 9HR

**REGISTERED NUMBER:** 00053268 (England and Wales)

**AUDITORS:** KAY JOHNSON GEE LLP  
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS  
1 City Road East  
Manchester  
M15 4PN

**CHAIRMAN'S REPORT**

**for the Year Ended 31st May 2017**

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The long-term business plan has indeed failed in some areas but also delivered in others.

The key success story is the on going development of the Youth system and Carrington has played a major part in this development process by attracting young players that would normally have been attracted by our premier league neighbor's.

The fact that Bury is offering a route to the first team via the Youth system really has made the Club a target destination for some of the best talent.

We now have interest from many clubs for players in all age categories and we really do see this as a success we will continue to build on.

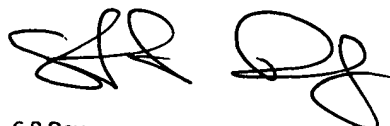
The need for better facilities as well as additional income is still the main concern and the on going issues re sourcing a new site for a stadium has been our number one target. If this is not feasible to do due to not being able to source the right site, then plans will have to be put in place to look at redeveloping Gigg Lane. We cannot allow the situation to continue in the best interest of the Club.

My passion for the Club is still as strong as the first day I walked through the door.

I have made mistakes driven by my eagerness to succeed and realise some things can take a little longer than had hoped.

I will continue to support the Club for as long as it takes to become a successful Club and business both on and off the field.

On behalf of the Board



S P Day

Chairman

# **BURY FOOTBALL CLUB COMPANY LIMITED (REGISTERED NUMBER: 00053268)**

## **REPORT OF THE DIRECTORS** **for the Year Ended 31st May 2017**

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The directors present their report with the financial statements of the company for the year ended 31st May 2017.

### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of running a professional football league club.

### **DIVIDENDS**

No dividends will be distributed for the year ended 31st May 2017.

### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st June 2016 to the date of this report.

S P Day  
G Thomas  
Ms G M A Alberici

Other changes in directors holding office are as follows:

IJ Kendall - resigned 19th April 2017

### **REGISTERED OFFICE**

Gigg Lane  
Bury  
Lancashire

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including 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 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

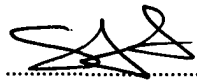
**REPORT OF THE DIRECTORS**  
**for the Year Ended 31st May 2017**

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**AUDITORS**

Under section 487(2) of the Companies Act 2006 KAY JOHNSON GEE LLP, will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

**ON BEHALF OF THE BOARD:**

  
.....  
S P Day - Director

Date: 21 June 2018

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BURY FOOTBALL CLUB COMPANY LIMITED**

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We have audited the financial statements of Bury Football Club Company Limited for the year ended 31st May 2017 on pages seven to twenty five. The financial reporting framework that has been applied in their preparation is 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'.

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.

### **Respective responsibilities of directors and auditors**

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. 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 Auditing Practices Board'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 Report and the Report of the Directors 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 31st May 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of Matter - Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure in Note 2 to the financial statements concerning the company's ability to continue as a going concern. The matters set out in Note 2 indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BURY FOOTBALL CLUB COMPANY LIMITED**

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**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.



Julian Beressi (Senior Statutory Auditor)  
for and on behalf of KAY JOHNSON GEE LLP  
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS  
1 City Road East  
Manchester  
M15 4PN

Date: 25 June 2018



**BURY FOOTBALL CLUB COMPANY LIMITED (REGISTERED NUMBER: 00053268)****STATEMENT OF COMPREHENSIVE INCOME**  
**for the Year Ended 31st May 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>		<b>4,665,030</b>	<b>4,238,294</b>
Cost of sales		<u>3,754,987</u>	<u>3,813,752</u>
<b>GROSS PROFIT</b>		<b>910,043</b>	<b>424,542</b>
Administrative expenses		<u>3,575,685</u>	<u>2,782,702</u>
<b>OPERATING LOSS</b>	<b>4</b>	<b>(2,665,642)</b>	<b>(2,358,160)</b>
Interest payable and similar expenses	5	<u>153,669</u>	<u>160,370</u>
<b>LOSS BEFORE TAXATION</b>		<b>(2,819,311)</b>	<b>(2,518,530)</b>
Tax on loss	6	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(2,819,311)</b>	<b>(2,518,530)</b>
<b>OTHER COMPREHENSIVE</b>			
Revaluation of stadium		-	-
Income tax relating to other comprehensive		-	-
<b>OTHER COMPREHENSIVE FOR THE YEAR, NET OF INCOME TAX</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b><u>(2,819,311)</u></b>	<b><u>(2,518,530)</u></b>

The notes form part of these financial statements

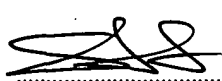
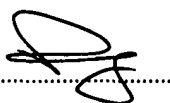
**BURY FOOTBALL CLUB COMPANY LIMITED (REGISTERED NUMBER: 00053268)**

**STATEMENT OF FINANCIAL POSITION**

**31st May 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Intangible assets	7	160,907	75,434
Tangible assets	8	5,727,378	5,861,236
		<u>5,888,285</u>	<u>5,936,670</u>
<b>CURRENT ASSETS</b>			
Stocks	9	6,445	6,888
Debtors	10	748,571	295,759
Cash at bank and in hand		1,980	8,490
		<u>756,996</u>	<u>311,137</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	6,837,747	4,335,418
<b>NET CURRENT LIABILITIES</b>		<u>(6,080,751)</u>	<u>(4,024,281)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(192,466)</u>	<u>1,912,389</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	289,303	582,422
<b>NET (LIABILITIES)/ASSETS</b>		<u>(481,769)</u>	<u>1,329,967</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	8,297,644	7,290,069
Revaluation reserve		4,818,418	4,877,980
Retained earnings		(13,597,831)	(10,838,082)
<b>SHAREHOLDERS' FUNDS</b>		<u>(481,769)</u>	<u>1,329,967</u>

The financial statements were approved and authorised for issue by the Board of Directors on 21 June 2017 and were signed on its behalf by:

  
  
S P Day - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
**for the Year Ended 31st May 2017**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Revaluation reserve £</b>	<b>Total equity £</b>
<b>Balance at 1st June 2015</b>	4,284,719	(8,359,643)	4,918,071	843,147
<b>Changes in equity</b>				
Issue of share capital	3,005,350	-	-	3,005,350
Total comprehensive loss	-	(2,478,439)	(40,091)	(2,518,530)
<b>Balance at 31st May 2016</b>	<u>7,290,069</u>	<u>(10,838,082)</u>	<u>4,877,980</u>	<u>1,329,967</u>
<b>Changes in equity</b>				
Issue of share capital	1,007,575	-	-	1,007,575
Total comprehensive loss	-	(2,759,749)	(59,562)	(2,819,311)
<b>Balance at 31st May 2017</b>	<u><u>8,297,644</u></u>	<u><u>(13,597,831)</u></u>	<u><u>4,818,418</u></u>	<u><u>(481,769)</u></u>

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS**  
for the Year Ended 31st May 2017

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	21	(624,202)	(2,779,837)
Interest paid		(140,134)	(143,834)
Interest element of hire purchase payments paid		(13,535)	(16,536)
<b>Net cash from operating activities</b>		<b>(777,871)</b>	<b>(2,940,207)</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(170,000)	-
Purchase of tangible fixed assets		(28,490)	(133,020)
Sale of intangible fixed assets		-	26,250
Sale of tangible fixed assets		-	49,018
<b>Net cash from investing activities</b>		<b>(198,490)</b>	<b>(57,752)</b>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(37,644)	(4,195)
Share issue		1,007,575	3,005,350
<b>Net cash from financing activities</b>		<b>969,931</b>	<b>3,001,155</b>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(6,430)</b>	<b>3,196</b>
<b>Cash and cash equivalents at beginning of year</b>	22	<b>8,410</b>	<b>5,214</b>
<b>Cash and cash equivalents at end of year</b>	22	<b>1,980</b>	<b>8,410</b>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31st May 2017

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**1. GENERAL INFORMATION**

Bury Football Club Company Limited is a limited company incorporated in the United Kingdom under the Companies Act. The principal activity and addresses of its registered office and principal place of business are disclosed in the directors' report. The nature of its operations are set out in the strategic report.

**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 as modified by the revaluation of certain assets.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable. Turnover is adjusted for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or too be incurred in respect of the transaction can be measured reliably.

Specifically, revenue from the sale of goods is recognised when goods are delivered and legal title is passed.

Revenue from player transfer fees is recognised when contracts have been exchanged and the player has agreed personal terms. Contingent contract fee income is only recognised when the conditions of the contract have been met.

Revenue from season tickets is recognised rateably over the term of the agreement on a straight line basis. The unrecognised revenue is shown within creditors in the balance sheet as deferred income.

Revenue from professional football associations is allocated to the relevant accounting period covered by the distribution awarded, provided the amount receivable is known at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Land and buildings held and used in the Company's own activities for are stated in the statement of financial position at their revalued amounts. The latest revaluation was carried out on 20th May 2014 and the revalued amounts have been adopted as deemed cost at transition date.

Any revaluation increase or decrease on land and buildings is recorded in other comprehensive income. The extent to which a decrease in the valuation exceeds the amount previously recorded in other comprehensive income then the excess is posted to the profit and loss account.

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss so as to write off each asset, over their estimated useful lives, using the following methods:

Freehold property	2% on cost
Freehold property "stadium"	2% on cost
Improvements to property	10% on cost
Plant and machinery	20 - 50% straight line
Fixture and fittings	20 - 50% straight line
Motor vehicles	25% on cost

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that any assets have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

When stocks are sold, the carrying amount of these stocks are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down in stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of stocks recognised as an expense in the period in which the reversal occurs.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**2. ACCOUNTING POLICIES - continued**

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that insufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in the profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**2. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Assets that are held by the Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the company are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability, finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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

Certain ex-employees are members of The Football League Limited Pension and Life Assurance Scheme ("The Scheme"). Accrual of benefits under a final salary basis was suspended with effect from 31 August 1999 following an actuarial review which revealed a substantial deficit.

As one of a number of participating employers, the company is unable to identify its share of the net assets and the liabilities of The Scheme and therefore accounts for its contributions as if they were paid to a defined contribution scheme. The company is advised only of its share of the deficit and the contributions required to make good to the deficit.

The current deficit, based on the actuarial valuation as at 31 May 2017, is £65,308 (2016 - £77,644) and is included as a liability in the financial statements.

**Transfer fees and registrations**

The expenditure on transfer fees for players' registrations is in accordance with Financial Reporting Standard 10 "Goodwill and Intangible Assets". Fees and associated costs payable to other football clubs are capitalised as intangible assets in the balance sheet and written off over the period of a player's registration.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**2. ACCOUNTING POLICIES - continued**

**Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and bank overdrafts. Any bank overdrafts are shown within current liabilities.

**Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Related parties**

For the purposes of these financial statements, a party is considered to be related to the Company, if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the Company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent or close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies above, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**2. ACCOUNTING POLICIES - continued**

**Going concern**

As set out in the Directors' responsibility statement the Directors are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the Directors have considered the company's ability to meet its liabilities as they fall due. The company meets its day to day working capital requirements with loans from companies controlled by the Directors. The Directors have provided an undertaking that they will not demand repayment of these loans within 12 months of signing the financial statements.

The Directors have prepared forecasts and projections for the next 15 months and on the basis of the revolving credit facility detailed below the company has adequate working capital for its requirements.

Mederco Limited, a company owned and controlled by Mr S Day, who is also a Company Directors are making available a revolving credit facility of up to £5,000,000 in order to continue the Company's operations for the foreseeable future. The loan will be transferred to equity if needed to make sure there is sufficient head room in the facility. Accordingly they adopt the going concern basis in preparing the financial statements.

**3. EMPLOYEES AND DIRECTORS**

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

	2017	2016
Staff	117	96

**4. OPERATING LOSS**

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation - owned assets	135,901	126,090
Depreciation - assets on hire purchase contracts	26,447	31,518
Loss on disposal of fixed assets	-	19,633
Player registration fees amortisation	84,527	119,150
Auditors' remuneration	18,125	20,880

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2017 £	2016 £
Bank interest	-	181
Other interest paid	140,134	121,378
Pension fund deficit interest	-	22,275
Hire purchase	13,535	16,536
	153,669	160,370

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**6. TAXATION**

No charge to deferred tax arises on the revaluation reserve due to the availability of capital gains tax losses and trading losses.

**7. INTANGIBLE FIXED ASSETS**

	Player registration fees £
<b>COST</b>	
At 1st June 2016	323,600
Additions	170,000
Disposals	(75,000)
	<u>418,600</u>
At 31st May 2017	
<b>AMORTISATION</b>	
At 1st June 2016	248,166
Amortisation for year	84,527
Eliminated on disposal	(75,000)
	<u>257,693</u>
At 31st May 2017	
<b>NET BOOK VALUE</b>	
At 31st May 2017	<u>160,907</u>
At 31st May 2016	<u>75,434</u>

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Freehold property "Stadium" £	Improvements to property £
<b>COST OR VALUATION</b>			
At 1st June 2016	100,000	5,675,000	30,892
Additions	-	-	5,117
	<u>100,000</u>	<u>5,675,000</u>	<u>36,009</u>
At 31st May 2017			
<b>DEPRECIATION</b>			
At 1st June 2016	4,000	150,400	5,800
Charge for year	1,999	75,200	3,296
	<u>5,999</u>	<u>225,600</u>	<u>9,096</u>
At 31st May 2017			
<b>NET BOOK VALUE</b>			
At 31st May 2017	<u>94,001</u>	<u>5,449,400</u>	<u>26,913</u>
At 31st May 2016	<u>96,000</u>	<u>5,524,600</u>	<u>25,092</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**8. TANGIBLE FIXED ASSETS - continued**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1st June 2016	473,154	624,279	35,195	6,938,520
Additions	-	23,373	-	28,490
At 31st May 2017	473,154	647,652	35,195	6,967,010
<b>DEPRECIATION</b>				
At 1st June 2016	329,096	560,222	27,766	1,077,284
Charge for year	55,602	19,027	7,224	162,348
At 31st May 2017	384,698	579,249	34,990	1,239,632
<b>NET BOOK VALUE</b>				
At 31st May 2017	88,456	68,403	205	5,727,378
At 31st May 2016	144,058	64,057	7,429	5,861,236

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**8. TANGIBLE FIXED ASSETS - continued**

Included in cost or valuation of land and buildings is freehold property, the Social Club and Community Offices of £94,000 (2016 - £96,000).

The Social Club was valued on an open market basis on 20th May 2014 by M J Scholey BSc MRICS Chartered Surveyor.

If freehold property had not been revalued it would have been included at the following historical cost:

	31.5.17 £	31.5.16 £
Cost	50,000	50,000
Aggregate depreciation	6,000	5,000

Included in cost or valuation of land and buildings is freehold property "Stadium" of £5,449,400 (2016 - £5,524,600).

The Stadium was valued on a depreciated replacement cost basis on 20th May 2014 by M J Scholey BSc MRICS Chartered Surveyor.

If Freehold property "Stadium" had not been revalued it would have been included at the following historical cost:

	31.5.17 £	31.5.16 £
Cost	781,892	781,892
Aggregated depreciation	99,910	84,272

Directors believe that there is no change in the current market valuation of assets.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**8. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1st June 2016 and 31st May 2017	<u>108,852</u>	<u>21,149</u>	<u>28,895</u>	<u>158,896</u>
<b>DEPRECIATION</b>				
At 1st June 2016	81,546	15,927	21,466	118,939
Charge for year	<u>18,073</u>	<u>1,150</u>	<u>7,224</u>	<u>26,447</u>
At 31st May 2017	<u>99,619</u>	<u>17,077</u>	<u>28,690</u>	<u>145,386</u>
<b>NET BOOK VALUE</b>				
At 31st May 2017	<u>9,233</u>	<u>4,072</u>	<u>205</u>	<u>13,510</u>
At 31st May 2016	<u>27,306</u>	<u>5,222</u>	<u>7,429</u>	<u>39,957</u>

**9. STOCKS**

	2017 £	2016 £
Stocks	<u>6,445</u>	<u>6,888</u>

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

	2017 £	2016 £
Trade debtors	515,799	77,516
Other debtors	83,433	68,383
Prepayments and accrued income	<u>149,339</u>	<u>149,860</u>
	<u>748,571</u>	<u>295,759</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

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

	2017	2016
	£	£
Bank loans and overdrafts (see note 13)	-	80
Hire purchase contracts (see note 14)	28,284	39,552
Trade creditors	878,848	676,479
Social security and other taxes	180,860	274,627
VAT	22,884	40,492
Other creditors	5,103,175	2,763,323
Pension fund	11,476	11,476
Deferred income	239,737	219,807
Accrued expenses	372,483	309,582
	<u>6,837,747</u>	<u>4,335,418</u>

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

	2017	2016
	£	£
Other loans (see note 13)	37,983	248,397
Hire purchase contracts (see note 14)	31,867	58,243
Pension fund	53,827	66,168
Other creditors	165,626	209,614
	<u>289,303</u>	<u>582,422</u>

**13. LOANS**

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	80
	<u>-</u>	<u>80</u>
Amounts falling due between two and five years:		
Loan - Daniel Thwaites Plc		
1 - 2 years	37,983	248,397
	<u>37,983</u>	<u>248,397</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**14. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<b>28,284</b>	39,552
Between one and five years	<b>31,867</b>	58,243
	<b><u>60,151</u></b>	<b><u>97,795</u></b>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts	<b>60,151</b>	97,795
Loan - Daniel Thwaites Plc	<b>37,983</b>	248,397
Loan - Charles St. Commercial	-	500,000
	<b><u>98,134</u></b>	<b><u>846,192</u></b>

Daniel Thwaites Public Limited Company have a mortgage charge dated 15 January 1988 and 21 August 1989 over the Social club and its related goodwill and licences.

The Professional Footballers Association has a charge over the buildings and fixtures and fittings dated 1 May 2013.

Moneything (Security Trustee) Limited has a charge over the social club dated 12 October 2016.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**16. FINANCIAL INSTRUMENTS**

The carrying amounts of the company's financial instruments are as follows:

	31.5.17 £	31.5.16 £
<u>Financial Assets</u>		
Debt instrument measured at amortised cost:		
- Trade debtors (note 10)	567,899	77,516
- Other debtors (note 10)	31,332	68,383
	<u>599,231</u>	<u>145,899</u>
<u>Financial Liabilities</u>		
Measured at amortised cost:		
- Trade creditors (note 11)	878,848	676,480
- Other loans (notes 11 & 12)	5,235,059	3,176,237
- Other creditors (notes 11 & 12)	207,719	458,091
	<u>6,321,626</u>	<u>4,310,808</u>

The income, expenses, net gains and net losses attributable to the company's financial instruments are summarised as follows:

	31.1.17 £	31.1.16 £
<u>Interest income and expense</u>		
- Total interest expense for financial liabilities at amortised cost	<u>148,669</u>	<u>160,370</u>
	£	£
<u>Other expense</u>		
- Trade debts written off	<u>(103,663)</u>	<u>14,746</u>

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
8,297,644	Ordinary	£1	<u>8,297,644</u>	<u>7,290,069</u>

During the year 1,007,575 were issued at par.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31st May 2017**

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**18. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,212 (2016 - £8,937). Contributions amounting to £28,541 (2016 - £7,211) were payable to the fund at the date of the balance sheet.

Bury Football Club ('the Club') participates in the Football League Pension and Life Assurance Scheme ('the Scheme'). The Scheme is a funded multi-employer defined benefit scheme, with 92 participating employers, and where members may have periods of service attributable to several participating employers. The Club is unable to identify its share of the assets and liabilities of the Scheme and therefore accounts for its contributions as if they were paid to a defined contribution scheme.

The last actuarial valuation was carried out at 31 August 2014 where the total deficit on the on-going valuation basis was £21.8 million. The key assumptions used to calculate the deficit at the 31 August 2014 actuarial valuation are:

Discount Rate	5.4% p.a. for the 1st 7 years, 4.4% p.a. for the following 10 years and 3.4% per annum thereafter.
RPI inflation:	3.2% p.a.
Pension Increases:	3.0% p.a. for benefits accrued prior to 6 April 1997, and 3.7% p.a. for benefits accrued after 6 April 1997.
Mortality (pre-retirement):	None
Mortality (post-retirement):	SAPS CMI_2013 2.0%

The accrual of benefits ceased within the Scheme on 31 August 1999, therefore there are no contributions relating to current accrual. The Club pays monthly contributions based on a notional split of the total expenses and deficit contributions of the Scheme.

The results of the 2014 valuation were rolled forward to 31 May 2017 on the same assumptions as detailed above, and the Club's notional share of the deficit was £53,972 (£60,291 as at 31 May 2016).

The Club currently pays total contributions of £11,061 per annum which increases at 5.0% per annum and based on the actuarial valuation assumptions detailed above, will be sufficient to pay off the deficit by 31 August 2022.

As at 31 May 2017, based on an appropriate discount rate of 0.9% per annum (1.6% per annum as at 31 May 2016), the present value of the Club's outstanding contributions (i.e. their future liability) is £65,308 (£77,644 as at 31 May 2016). This amounts to £11,476 (2016: £11,476) due within one year and £53,832 (2016: £66,168) due after more than one year and is included within other payables.

**19. RELATED PARTY DISCLOSURES**

Included within other creditors due within one year are loans from Mederco Limited of £4,275,982 (2016 £2,129,651) a company owned and controlled by the director S Day  
During the year Mederco Limited paid rent of £50,000 (2016:£50,000).

The Save Our Shakers Appeal Trust owns 2,010,494 shares in The Bury Football Club Company Limited. The trustees are S Day and G Thomas.

During the year the company received £30,256 (2016: £58,273) sponsorship and other fees from Ratio Law LLP, a limited liability partnership of which one of the company directors GMB Alberici is also a member.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Year Ended 31st May 2017

**20. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the company director and shareholder Mr S P Day.

**21. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Loss before taxation	(2,819,311)	(2,518,530)
Depreciation charges	162,349	157,608
Loss on disposal of fixed assets	-	19,633
Amortisation of intangibles	84,527	119,150
Finance costs	153,669	160,370
	<u>(2,418,766)</u>	<u>(2,061,769)</u>
Decrease in stocks	443	21,730
(Increase)/decrease in trade and other debtors	(452,812)	79,445
Increase/(decrease) in trade and other creditors	2,246,933	(819,243)
	<u>(624,202)</u>	<u>(2,779,837)</u>

**22. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31st May 2017**

	31/5/17	1/6/16
	£	£
Cash and cash equivalents	1,980	8,490
Bank overdrafts	-	(80)
	<u>1,980</u>	<u>8,410</u>

**Year ended 31st May 2016**

	31/5/16	1/6/15
	£	£
Cash and cash equivalents	8,490	8,023
Bank overdrafts	(80)	(2,809)
	<u>8,410</u>	<u>5,214</u>

**23. POST BALANCE SHEET EVENT**

Included in intangible fixed assets is the agreed compensation fee payable to Kilmarnock Football Club for the manager Lee Clark totalling £150,000. This was amortised over the period of his contract. Mr Clark left the club in October 2017 and the balance of the amortised cost will be reflected in the following years accounts.