

Company Registration No. 00175954 (England and Wales)

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
PAGES FOR FILING WITH REGISTRAR

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

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THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

BALANCE SHEET

AS AT 30 JUNE 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	5	2,189,496	2,250,051
Current assets			
Stocks		25,546	21,577
Debtors	6	88,247	89,734
Cash at bank and in hand		50,546	102,337
		164,339	213,648
Creditors: amounts falling due within one year	7	(695,168)	(598,694)
Net current liabilities		(530,829)	(385,046)
Total assets less current liabilities		1,658,667	1,865,005
Creditors: amounts falling due after more than one year	8	(6,968,849)	(6,012,063)
Net liabilities		(5,310,182)	(4,147,058)
Capital and reserves			
Called up share capital	9	983,990	983,990
Profit and loss reserves		(6,294,172)	(5,131,048)
Total equity		(5,310,182)	(4,147,058)

For the financial year ended 30 June 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2023

The financial statements were approved by the board of directors and authorised for issue on 31 March 2024 and are signed on its behalf by:

Mr C Osborne
Director

Company Registration No. 00175954

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Company information

The Torquay United Association Football Club Limited is a private company limited by shares incorporated in England and Wales. The registered office is Plainmoor, Warbro Road, Torquay, Devon, TQ1 3PS.

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.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern. The company incurred operational losses during the year of £1,163,124 this has been funded by loans from the parent company, Riviera Stadiums Limited, totalling £5,282,400 (2022 - £4,287,000). At the time of approval of these financial statements, the directors are aware that this financial support will not continue into the 2024/25 football season. The club has announced the intention to appoint Administrators, however, all possible options are being explored in order to secure the company's future and the directors consider there is a very real prospect that a viable solution may be found to allow the company to continue as a going concern.

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.

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 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:

Land and buildings leasehold	2% per annum straight line
Plant and machinery	15% per annum reducing balance
Bristows Bench	2% per annum straight line

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.

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.5 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.

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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 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.

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

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.

1.9 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 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.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year:

	2023 Number	2022 Number
Total	72	54

4 Intangible fixed assets

	Other £
Cost	
At 1 July 2022 and 30 June 2023	4,248
Amortisation and impairment	
At 1 July 2022 and 30 June 2023	4,248
Carrying amount	
At 30 June 2023	-
At 30 June 2022	-

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2022	1,804,837	2,731,691	4,536,528
Additions	17,228	15,416	32,644
	<u>1,822,065</u>	<u>2,747,107</u>	<u>4,569,172</u>
At 30 June 2023			
Depreciation and impairment			
At 1 July 2022	944,220	1,342,257	2,286,477
Depreciation charged in the year	36,126	57,073	93,199
	<u>980,346</u>	<u>1,399,330</u>	<u>2,379,676</u>
At 30 June 2023			
Carrying amount			
At 30 June 2023	841,719	1,347,777	2,189,496
	<u>860,617</u>	<u>1,389,434</u>	<u>2,250,051</u>
At 30 June 2022			

6 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	40,636	30,593
Other debtors	47,611	59,141
	<u>88,247</u>	<u>89,734</u>

7 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	10,000	10,000
Trade creditors	170,619	156,131
Taxation and social security	103,055	93,172
Other creditors	411,494	339,391
	<u>695,168</u>	<u>598,694</u>

Within other creditors is a credit card balance that is subject to fixed and floating charges.

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

8 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	623,448	633,448
Other creditors	6,345,401	5,378,615
	<u>6,968,849</u>	<u>6,012,063</u>

Within bank loans and overdrafts is a loan balance subject to floating charges.

9 Called up share capital

	2023	2022
	£	£
Ordinary share capital		
Issued and fully paid		
983,990 (2022: 983,990) Ordinary shares of £1 each	<u>983,990</u>	<u>983,990</u>

10 Financial commitments, guarantees and contingent liabilities

a) In the course of its ordinary business in the player transfer market, the club has entered into contracts to buy and sell players where part of the consideration will only become payable/receivable dependant upon the players professional performance (e.g. number of first team appearances, goals scored etc.) Due to the inherent uncertainty in respect of such expenditure/income, no account has been taken of any such potential expenditure or income which may arise after the year end.

b) In accordance with rules of the Football Foundation, if the club ceases to use a facility for which a ground improvement grant was received, all or part of the capital grant may become repayable. The unamortised values of these grants are included in deferred capital grants.

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
<u>954,500</u>	<u>987,700</u>

12 Related party transactions

As at 30 June 2023 Torquay United Association Football Club owed £5,282,400 (2022 - £4,287,000) to Riviera Stadium Limited and is included in other creditors due in more than one year.

The disclosure requirements of Section 1A of FRS102 have been applied, and there are no further material disclosures to be made.

THE TORQUAY UNITED ASSOCIATION FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

13 Parent company

The parent company is Riviera Stadium Limited, a company registered in England & Wales, which holds 92.92% of the share capital of the company. The registered office of the parent company is 6 Beaconsfield Road, Clifton, Bristol, England, BS8 2TS.

Riviera Stadium Limited is under the control of Mr C A Osborne.

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