

Registered number: 03375789

**ASTON VILLA FOOTBALL CLUB LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**



# **ASTON VILLA FOOTBALL CLUB LIMITED**

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# **ASTON VILLA FOOTBALL CLUB LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	W R Edens C M C Purslow N Sawiris
<b>Registered number</b>	03375789
<b>Registered office</b>	Villa Park Trinity Road Aston Birmingham West Midlands B6 6HE
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Chamberlain Square Birmingham B3 3AX

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2021**

The directors present the Strategic Report and the audited financial statements of Aston Villa Football Club Limited (the "Company") for the year ended 31 May 2021.

#### **Principal activities**

The Company is engaged in running the commercial activities of a professional football club in the English Football League.

#### **Review of business**

The football season resulted in a final league place of 11th which meant the club retained its Premier League status for the 2021/22 season.

Turnover for the financial year amounted to £175.6m (2020: £107.9m).

Administrative expenses amounted to £210.8m (2020: £203m).

The operating loss for the year amounted to £32.7m (2020: £95.2m). The loss for the financial year of £32.1m (2020: £90.9m) has been deducted from reserves and consequently increased the shareholders' deficit.

Net liabilities at the year-end were £28.7m (2020: £93.7m). The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company.

#### **Key performance indicators ('KPIs')**

As a wholly owned subsidiary of the NSWE Sports Limited group, the directors do not consider that there are any informative KPIs for the Company. A description of KPIs for the NSWE Sports Limited group is included in the NSWE Sports Limited Directors' Report.

#### **Principal risks and uncertainties**

The key risk facing any club is the deterioration of on field performance and results. The board mitigates this risk to the best of its ability by providing the manager with first class training facilities and appropriate payroll & transfer budgets, and through generous support to the Academy. The acquisition of players and their related payroll costs are deemed a core activity risk and, whilst assisting the manager in improving the playing squad, the directors are mindful of the pitfalls that are inherent in this area of the business.

Aston Villa Football Club Limited's management regularly review and monitor the Company's risks.

The principal risks and uncertainties of the NSWE UK Limited group are set out in the NSWE UK Limited's Directors' Report.

**ASTON VILLA FOOTBALL CLUB LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MAY 2021**

**Directors' statement of compliance with duty to promote the success of the Company**

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors acknowledge their responsibility to act in a manner that protects the interests of all stakeholders.

The Board of Directors have acted in a manner they consider most likely to promote the success of the Company for the benefit of its members and stakeholders in the decisions taken during the year.

The key relationships of the business are those with its supporters, staff, local community, commercial sponsors and governing authorities and the Company engages proactively with these stakeholders to ensure good relationships are maintained.

The relationships between the Company and other members of the Group are primarily guided by a Shareholder agreement. Further details of stakeholder engagement are set out in the Strategic Report of NSWE UK Limited Group financial statements.

**Streamlined Energy and Carbon Report (SECR)**

The Group Streamlined Energy and Carbon Report (SECR) are set out in the Strategic Report of NSWE UK Limited Group financial statements.

This report was approved by the board and signed on its behalf by:



**C M C Purslow**  
Director

Date: 23<sup>RD</sup> FEBRUARY 2022

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2021**

The directors present their annual report and the audited financial statements of Aston Villa Football Club Limited (the "Company") for the year ended 31 May 2021.

#### **Principal activities**

The principal activities of the Company are enclosed within the Strategic Report on page 2.

#### **Results and dividends**

The loss for the financial year amounted to £32,087,203 (2020: loss £90,893,408).

The directors have not declared or paid an interim dividend during the year (2020: £Nil). They do not recommend a final dividend (2020: £Nil).

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were:

W R Edens  
C M C Purslow  
N Sawiris

#### **Directors' and officers' insurance**

The Company maintains cover under a qualifying third-party indemnity for all directors and officers against liabilities which may be incurred by them whilst acting as directors or officers.

#### **Future developments**

The Company is a wholly owned subsidiary of the NSWE UK Limited group. A description of future developments for the NSWE UK Limited group is included in the NSWE UK Limited's Directors' Report.

#### **Going concern**

The directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company V Sports SCS.

The directors have received confirmation that V Sports SCS intends to support the Group and the Company for at least 12 months from the approval of these financial statements.

Further assessment of the Going concern assessment of the Group is detailed within the financial statements of NSWE UK Limited.

#### **Charitable contributions**

All fund-raising events are dealt with by the Aston Villa Foundation which is registered with the Charity Commission. There were no political contributions (2020: £Nil).

#### **Financial risk management**

The financial risk management objectives and policies of the Group are fully described in the 2021 annual report of the holding company, NSWE UK Limited.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2021**

#### **Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### **Directors' confirmations**

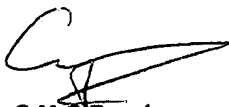
In the case of each directors in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Independent auditors**

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

This report was approved by the board and signed on its behalf by:



**C M C Purslow**  
Director

Date: 2320 FEBRUARY 2022

# Independent auditors' report to the members of Aston Villa Football Club Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Aston Villa Football Club Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 May 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 May 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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 an auditors' report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the risk surrounding non-compliance with the Profit and Sustainability Rules (PSR) by the FA Premier League and Companies Act 2006 and tax regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to journal entries to improve the reported financial position or performance of the business and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- discussions with management and the in house legal team in relation to known or suspected instances of non-compliance with laws and regulation and fraud
- identifying and testing journal entries through a risk based approach, in particular any journal entries posted with unusual account combinations or posted by unexpected users
- testing significant estimates and judgements within the financial statements, through validating the underlying data and accuracy of the models utilised by management. Audit testing was performed through considering the prior accuracy of similar management estimates and reviewing post year end transactions.
- reviewing the financial statements for disclosures required by accounting standards and the Companies Act
- testing significant / unusual transactions (where material) for appropriate treatment within these financial statements
- performing unpredictable audit procedures which vary from year to year

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

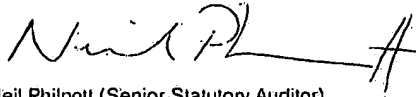
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Neil Philpott (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
23 February 2022

**ASTON VILLA FOOTBALL CLUB LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2021**

	Note.	2021 £	2020 £
Turnover	4	175,628,848	107,863,788
Administrative expenses		(210,849,675)	(203,017,838)
Other operating income	5	2,500,000	-
Profit/(loss) on sale of tangible assets		7,984	(5,947)
<b>Operating loss</b>	6	<b>(32,712,843)</b>	<b>(95,159,997)</b>
Interest receivable and similar income	10	-	84,973
<b>Loss before taxation</b>		<b>(32,712,843)</b>	<b>(95,075,024)</b>
Tax on loss	11	625,640	4,181,616
<b>Loss for the financial year</b>		<b>(32,087,203)</b>	<b>(90,893,408)</b>
 <b>Total comprehensive expense for the financial year</b>		 <b>(32,087,203)</b>	 <b>(90,893,408)</b>

All operations are continuing.

The notes on pages 12 to 23 form part of these financial statements.

**ASTON VILLA FOOTBALL CLUB LIMITED**  
**REGISTERED NUMBER: 03375789**

**BALANCE SHEET**  
**AS AT 31 MAY 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	10,561,080	12,371,966
<b>Current assets</b>			
Debtors	13	181,245,920	145,800,547
Cash at bank and in hand	14	18,951,194	11,549,781
		<u>200,197,114</u>	<u>157,350,328</u>
Creditors: amounts falling due within one year	15	(239,499,506)	(263,376,403)
<b>Net current liabilities</b>		<u>(39,302,392)</u>	<u>(106,026,075)</u>
<b>Total assets less current liabilities</b>		<u>(28,741,312)</u>	<u>(93,654,109)</u>
<b>Capital and reserves</b>			
Called up share capital	17	471,190,384	374,190,384
Profit and loss account	18	(499,931,696)	(467,844,493)
<b>Total shareholders' deficit</b>		<u>(28,741,312)</u>	<u>(93,654,109)</u>

The financial statements on pages 9 to 23 were approved by the Board of Directors on 23<sup>RD</sup> FEBRUARY 2022 and signed on its behalf by:

  
**C.M.C Purslow**  
 Director

The notes on pages 12 to 23 form part of these financial statements

**ASTON VILLA FOOTBALL CLUB LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2021**

	Called up share capital £	Profit and loss account £	Total shareholders' deficit £
<b>At 1 June 2019</b>	<b>247,780,725</b>	<b>(376,951,085)</b>	<b>(129,170,360)</b>
<b>Comprehensive expense for the financial year</b>			
Loss for the financial year	-	(90,893,408)	(90,893,408)
<b>Total comprehensive expense for the financial year</b>	<b>-</b>	<b>(90,893,408)</b>	<b>(90,893,408)</b>
<b>Contributions by and distributions to owners</b>			
Shares issued during the financial year	126,409,659	-	126,409,659
<b>Total transactions with owners</b>	<b>126,409,659</b>	<b>-</b>	<b>126,409,659</b>
<b>At 31 May 2020 and 1 June 2020</b>	<b>374,190,384</b>	<b>(467,844,493)</b>	<b>(93,654,109)</b>
<b>Comprehensive expense for the financial year</b>			
Loss for the financial year	-	(32,087,203)	(32,087,203)
<b>Total comprehensive expense for the financial year</b>	<b>-</b>	<b>(32,087,203)</b>	<b>(32,087,203)</b>
<b>Contributions by and distributions to owners</b>			
Shares issued during the financial year	97,000,000	-	97,000,000
<b>Total transactions with owners</b>	<b>97,000,000</b>	<b>-</b>	<b>97,000,000</b>
<b>At 31 May 2021</b>	<b>471,190,384</b>	<b>(499,931,696)</b>	<b>(28,741,312)</b>

The notes on pages 12 to 23 form part of these financial statements.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **1. General information**

Aston Villa Football Club Limited (the "Company") principal activity continues to be the running of commercial activities of a professional football club.

The Company is incorporated and domiciled in the UK. The address of its registered office is Villa Park Trinity Road, Aston, Birmingham, West Midlands, B6 6HE.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied consistently throughout the year:

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of NSW UK LIMITED as at 31 May 2021 and these financial statements may be obtained from Villa Park, Trinity Road, Birmingham, England, B6 6HE.

##### **2.3 Consolidated financial statements**

The Company is a wholly owned subsidiary of NSW Sports Limited group. It is included in the consolidated financial statements of NSW Sports Limited which are publicly available. Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are the Company's separate financial statements.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **2. Accounting policies (continued)**

##### **2.4 Going concern**

The directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company V Sports SCS.

The directors have received confirmation that V Sports SCS intends to support the Group and the Company for at least 12 months from the approval of these financial statements.

Further assessment of the Going concern assessment of the Group is detailed within the financial statements of NSW UK Limited.

##### **2.5 Foreign currency**

The Company's functional and presentational currency is pound sterling.

##### **2.6 Turnover**

Turnover represents amounts receivable for goods and services, excluding transfer fees receivable in respect of the disposal of players' registrations, in the normal course of the Group's business. It is stated net of discounts and value added tax. Turnover in regard to player transactions relate to fees receivable for the loans of players' registrations.

Gate receipts turnover is recognised over the period of the English football season, as home matches are played, with amounts deferred from the 20/21 season relating to matches which had not taken place by the end of the financial year.

Fixed elements of broadcasting contracts are taken in proportion to the number of league matches played, home and away. Broadcasting facility fees are accounted for when earned. Rebates payable to broadcasters as a result of the suspension of the 2020-21 Premier League season have been allocated to fixed elements or broadcasting facility fee elements of income and recognised on the same basis as the related revenue.

Sponsorship turnover, including royalties are recognised over the duration of their respective contracts.

Merchandising, travel and catering turnover, included within Commercial turnover, are recognised on an earned basis. Executive box rentals are recognised over the duration of their contracts.

##### **2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.



## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **2. Accounting policies (continued)**

##### **2.9 Tangible assets**

Tangible assets are stated at historic purchase cost less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated on a straight-line basis to write down the assets to their estimated residual value over the anticipated useful lives, which are re-assessed on a periodic basis, at the following annual rates:

Freehold buildings	- 2%
Plant and equipment	- 10-33%

##### **2.10 Impairment of tangible assets**

At each Balance Sheet date, the Company reviews the carrying amounts of its tangible 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. The recoverable amount is the higher of fair value less costs to sell and the value in use. Any impairment loss is recognised immediately as an expense.

##### **2.11 Current and deferred taxation**

The taxation expense represents the sum of tax currently payable or recoverable and deferred taxation, and takes into account adjustments for prior periods.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred taxation is the tax expected to be payable or recoverable on 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 and is accounted for using the Balance Sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is measured on an undiscounted basis.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **2. Accounting policies (continued)**

##### **2.12 Pensions**

###### **Defined contribution pension plan**

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

Certain of the Company's employees and ex-employees are members of the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the Company is one of a number of participating employers in FLLPLAS it is not possible to identify the Company's share of the individual assets and liabilities within the scheme. However, the actuarial surplus or deficit is estimated and a provision is made for any unfunded obligation with any payments made being deducted from the outstanding balance. The assets of the scheme are held separately from those of the Group, being invested with insurance companies. Further details are set out in note 19.

##### **2.13 Leases**

Assets acquired under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible assets and are depreciated over their useful lives. The capital element of future lease obligations are recorded as liabilities with the interest element being charged to the profit and loss account at a constant rate over the period of the lease.

##### **2.14 Financial instruments**

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

###### **Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rates of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risk and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### **Financial liabilities**

Basic financial liabilities, including trade and other payables and amounts due to fellow group companies 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 receipts discounted at a market rate of interest.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **2. Accounting policies (continued)**

##### **2.14 Financial instruments (continued)**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest.

##### **2.15 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.16 Cash and cash equivalents**

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

##### **2.17 Creditors**

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

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **a) Impairment review**

The Company will perform an impairment review on tangible assets if adverse events indicate that the amortised carrying value of the asset may not be recoverable. If such circumstances were to arise, the carrying value of the assets would be assessed against the Company's best estimate of the asset's fair value less any costs to sell.

# ASTON VILLA FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

### 4. Turnover

Turnover comprises:

	2021 £	2020 £
Gate Receipts	310,542	11,109,998
Broadcasting	157,143,131	77,727,663
Sponsorship	14,332,283	10,401,513
Commercial	3,842,892	8,624,614
	<u>175,628,848</u>	<u>107,863,788</u>

The constituents of each component are as follows:

- Gate receipts - Revenues generated from the sale of match tickets.
- Broadcasting - Distributions from the FA Premier League and English Football League broadcasting agreements, including the merit award, cup competition broadcasting rights and local radio broadcasting.
- Sponsorship - Major sponsorship contracts and club partnership agreements.
- Commercial - Merchandising, royalties, conference and banqueting and all other revenue sources.

The Company only recognises one segment, being professional football operations, and one main geographical segment, being the United Kingdom, therefore no further segmental information is provided.

### 5. Other operating income

	2021 £	2020 £
Insurance claims receivable	<u>2,500,000</u>	<u>-</u>

### 6. Operating loss

The operating loss has been arrived at after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible assets	2,082,194	1,943,071
(Profit)/loss on disposal of tangible assets	(7,984)	5,947
Exchange differences	<u>(109,655)</u>	<u>-</u>

# ASTON VILLA FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

### 7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	<b>42,000</b>	42,000

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group financial statements of the parent Company.

### 8. Employees

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

	2021 £	2020 £
Wages and salaries	<b>6,685,914</b>	7,226,272
Social security costs	<b>909,298</b>	805,828
Other pension costs (note 19)	<b>358,876</b>	285,400
	<b>7,954,088</b>	8,317,500

The average monthly number of employees by activity:

	2021 Number	2020 Number
Directors	<b>3</b>	3
Commercial, merchandising and operational	<b>114</b>	106
Maintenance and administration	<b>78</b>	65
Part time employees on matchdays and other events	<b>468</b>	484
	<b>663</b>	658

### 9. Directors' remuneration

	2021 £	2020 £
Aggregate remuneration	<b>1,074,717</b>	1,536,255

During the year retirement benefits were accruing to Nil directors (2020: Nil) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £1,074,717 (2020: £1,536,255).

Key management personnel are considered to be the directors of the Company.

# ASTON VILLA FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

### 10. Interest receivable and similar income

	2021 £	2020 £
Other interest receivable	-	84,973

### 11. Tax on loss

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on loss for the financial year	(625,644)	(1,162,587)
Adjustments in respect of prior years	4	(3,019,029)
<b>Total current tax</b>	<b>(625,640)</b>	<b>(4,181,616)</b>

#### Factors affecting tax credit for the year

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	2021 £	2020 £
Loss before taxation	(32,712,843)	(95,075,024)
Loss before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(6,215,440)	(18,064,255)

#### Effects of:

Expenses not deductible	120,651	104,778
Movement in unprovided deferred tax	5,469,145	16,796,890
Adjustments in respect of prior years	4	(3,019,029)
<b>Total tax credit for the financial year</b>	<b>(625,640)</b>	<b>(4,181,616)</b>

#### Factors that may affect future tax charges

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the Balance Sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the Balance Sheet date, would not be material to disclose.

**ASTON VILLA FOOTBALL CLUB LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

**12. Tangible assets**

	Freehold buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 June 2020	6,226,237	39,104,341	45,330,578
Additions	-	294,525	294,525
Disposals	-	(57,350)	(57,350)
At 31 May 2021	6,226,237	39,341,516	45,567,753
<b>Accumulated depreciation</b>			
At 1 June 2020	1,655,102	31,303,510	32,958,612
Charge for the year	83,033	1,999,161	2,082,194
Disposals	-	(34,133)	(34,133)
At 31 May 2021	1,738,135	33,268,538	35,006,673
<b>Net book value</b>			
At 31 May 2021	4,488,102	6,072,978	10,561,080
At 31 May 2020	4,571,135	7,800,831	12,371,966

**13. Debtors**

	2021 £	2020 £
Trade debtors	2,187,778	1,374,243
Amounts owed by group undertakings	172,891,894	133,196,946
Other debtors	12,633	177,152
Tax recoverable	4,807,256	4,181,616
Prepayments and accrued income	1,346,359	6,870,590
	181,245,920	145,800,547

Amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand. Trade debtors, amounts owed by group undertakings and other debtors are measured at amortised cost. Derivative financial instruments are measured at fair value through profit or loss.

Debtors are stated after provisions for impairment of £Nil (2020: £Nil).

# ASTON VILLA FOOTBALL CLUB LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

### 14. Cash at bank and in hand

	2021 £	2020 £
Cash at bank and in hand	<u>18,951,194</u>	<u>11,549,781</u>

### 15. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,348,878	2,195,542
Amounts owed to group undertakings	214,245,082	215,075,685
Other taxation and social security	10,127,706	7,759,027
Creditors	1,850,292	735,838
Accruals and deferred income	10,927,548	37,610,311
	<u>239,499,506</u>	<u>263,376,403</u>

Amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand.

### 16. Deferred taxation

A deferred tax asset has not been recognised in respect of timing differences relating to capital allowances, short term timing differences and tax trading losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £110.2m (2020: £78.3m). The asset would be recovered if sufficient taxable trading profits arise in the future.

### 17. Called up share capital

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
471,190,384 (2020: 374,190,384) Ordinary shares of £1 (2020: £1) each	<u>471,190,384</u>	<u>374,190,384</u>

On 21st August 2020, the Company issued 25,000,000 Ordinary shares of £1 each for consideration of £25,000,000. All consideration was settled in cash.

On 22nd September 2020, the Company issued 30,000,000 Ordinary shares of £1 each for consideration of £30,000,000. All consideration was settled in cash.

On 6th October 2020, the Company issued 12,000,000 Ordinary shares of £1 each for consideration of £12,000,000. All consideration was settled in cash.

On 20th October 2020, the Company issued 20,000,000 Ordinary shares of £1 each for consideration of £20,000,000. All consideration was settled in cash.

On 21st April 2021, the Company issued 10,000,000 ordinary shares of £1 each for consideration of £10,000,000. All consideration was settled in cash.



## ASTON VILLA FOOTBALL CLUB LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021

#### 18. Reserves

##### Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

#### 19. Retirement benefit schemes

Certain members of the Group's staff are members of either the Football League Limited Players' Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the Company is one of a number of participating employers in the scheme, it is not possible to allocate any actuarial surplus or deficit on an annual basis. However, under Section 75 of the Pensions Act 1995, the Company, as a participating employer in the scheme, is liable to fund the deficit relating to Company's ex-employees who are members of the scheme. The Scheme Actuary finalised a full valuation as at 31 August 2017 and allocated £527,494 as the Club's share of the deficit. The deficit is funded by annual contributions. The balance outstanding at the year-end date is included in other creditors. The Club has made contributions of £102,849 in the year (2020: £97,953). The assets of the scheme are held separately from those of the Company.

At the year end, the amount outstanding in relation to the defined contribution schemes was £157,447 (2020: £260,296).

Contributions are also paid into individuals' private pension schemes. The total contributions across all schemes during the year amounted to £358,876 (2020: £285,400). At the end of the year, contributions of £93,080 (2020: £124,318) were outstanding.

#### 20. Commitments under operating leases

At 31 May the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	2,600,000	2,600,000
Later than 1 year and not later than 5 years	2,600,000	5,200,000
	<u>5,200,000</u>	<u>7,800,000</u>

#### 21. Related party transactions

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

#### 22. Post balance sheet events

Dean Smith left his position as manager of the Club on 7th November 2021. Steven Gerrard was appointed as manager on 11th November 2021.

## **ASTON VILLA FOOTBALL CLUB LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**

#### **23. Ultimate parent undertaking and controlling party**

At 31 May 2021 the directors consider V Sports S.C.S (formerly known as NSW E S.C.S), registered in Luxembourg to be the Company's controlling party.

The immediate parent undertaking is Aston Villa Limited. The largest group to consolidate these financial statements is NSW E UK Limited and the smallest group to consolidate these financial statements is NSW E Sports Limited. Copies of these consolidated financial statements can be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.