
WBA FOOTBALL DEVELOPMENT LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008




Clement Keys
CHARTERED ACCOUNTANTS

WBA FOOTBALL DEVELOPMENT LIMITED

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WBA FOOTBALL DEVELOPMENT LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2008

The director presents his report and the financial statements for the year ended 30 June 2008.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of a football development centre.

BUSINESS REVIEW

The director is satisfied with the results for the year. Likely future developments of the company are detailed in the Chairman's Statement of the Group Annual Report for West Bromwich Albion Holdings Limited, the ultimate parent company.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £324,580 (2007 - £176,304).

The director does not recommend a dividend.

DIRECTOR

The director who served during the year was:

M J Jenkins

PROVISION OF INFORMATION TO AUDITORS

WBA FOOTBALL DEVELOPMENT LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

The director at the time when this Director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Clement Keys, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 13 October 2008 and signed on its behalf.



M J Jenkins
Director

WBA FOOTBALL DEVELOPMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WBA FOOTBALL DEVELOPMENT LIMITED

We have audited the financial statements of WBA Football Development Limited for the year ended 30 June 2008, set out on pages 5 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an Auditors' report 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 DIRECTOR AND AUDITORS

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of director's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

WBA FOOTBALL DEVELOPMENT LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WBA FOOTBALL DEVELOPMENT
LIMITED**

OPINION

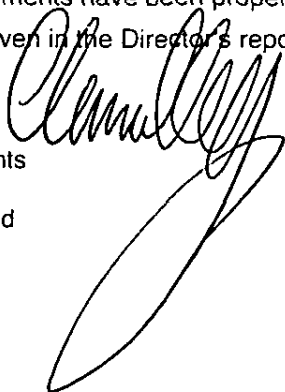
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

CLEMENT KEYS

Chartered Accountants
Registered Auditors
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

13 October 2008



WBA FOOTBALL DEVELOPMENT LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 £	2007 £
TURNOVER	1,2	500,000	300,000
Administrative expenses		(63,308)	(49,045)
OPERATING PROFIT	3	436,692	250,955
Interest payable	5	(1,384)	(251)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		435,308	250,704
Tax on profit on ordinary activities	6	(110,728)	(74,400)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	324,580	176,304

All amounts relate to continuing operations.

There were no recognised gains and losses for 2008 or 2007 other than those included in the Profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.

WBA FOOTBALL DEVELOPMENT LIMITED

**BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible fixed assets	7		3,545,396		3,383,261
CURRENT ASSETS					
Debtors	8	21,803		12,766	
Cash at bank		-		34	
			<u>21,803</u>	<u>12,800</u>	
CREDITORS: amounts falling due within one year	9	(2,961,336)		(3,124,030)	
NET CURRENT LIABILITIES			<u>(2,939,533)</u>		<u>(3,111,230)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			605,863		272,031
PROVISIONS FOR LIABILITIES					
Deferred tax	10		(22,025)		(12,773)
NET ASSETS			<u>583,838</u>		<u>259,258</u>
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account	12		<u>583,836</u>		<u>259,256</u>
SHAREHOLDERS' FUNDS	13		<u>583,838</u>		<u>259,258</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 October 2008.



M J Jenkins
Director

The notes on pages 7 to 12 form part of these financial statements.

WBA FOOTBALL DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied, exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Training Centre	- 2% straight line
Fixtures and fittings	- 20% straight line

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. TURNOVER

All turnover arose within the United Kingdom.

WBA FOOTBALL DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

3. OPERATING PROFIT

The operating profit is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets: - owned by the company	53,604	47,800

During the year, no director received any emoluments (2007 - £NIL).

4. STAFF COSTS

The average monthly number of employees, including the director, during the year was as follows:

	2008 No.	2007 No.
Director	1	1

5. INTEREST PAYABLE

	2008 £	2007 £
Other interest payable	1,384	251

WBA FOOTBALL DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

6. TAXATION

	2008 £	2007 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	121,853	74,400
Adjustments in respect of prior periods	(20,377)	-
Total current tax	<u>101,476</u>	<u>74,400</u>
Deferred tax (see note 10)		
Origination and reversal of timing differences	9,252	-
Tax on profit on ordinary activities	<u>110,728</u>	<u>74,400</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2007 - *lower than*) the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2008 £	2007 £
Profit on ordinary activities before tax	<u>435,308</u>	<u>250,704</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2007 - 19%)	121,886	47,634
Effects of:		
Depreciation for year in excess of capital allowances	2,217	26,766
Adjustments to tax charge in respect of prior periods	(20,377)	-
Adjustment regarding change in corporation tax rate	(2,250)	-
Current tax charge for the year (see note above)	<u>101,476</u>	<u>74,400</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

WBA FOOTBALL DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

7. TANGIBLE FIXED ASSETS

	Training Centre £	Furniture, fittings and equipment £	Total £
Cost			
At 1 July 2007	3,507,982	-	3,507,982
Additions	192,639	23,100	215,739
At 30 June 2008	<u>3,700,621</u>	<u>23,100</u>	<u>3,723,721</u>
Depreciation			
At 1 July 2007	124,721	-	124,721
Charge for the year	53,604	-	53,604
At 30 June 2008	<u>178,325</u>	<u>-</u>	<u>178,325</u>
Net book value			
At 30 June 2008	<u>3,522,296</u>	<u>23,100</u>	<u>3,545,396</u>
At 30 June 2007	<u>3,383,261</u>	<u>-</u>	<u>3,383,261</u>

Included in the Training Centre is freehold land at a cost £828,000 (2007 - £828,000) which is not depreciated.

8. DEBTORS

	2008 £	2007 £
Amounts owed by group undertakings	2	2
Other debtors	21,801	12,764
	<u>21,803</u>	<u>12,766</u>

**9. CREDITORS:
Amounts falling due within one year**

	2008 £	2007 £
Trade creditors	127,472	6,911
Amounts owed to group undertakings	2,646,959	3,042,714
Corporation tax	177,260	74,400
Other creditors	5	5
Accruals and deferred income	9,640	-
	<u>2,961,336</u>	<u>3,124,030</u>

WBA FOOTBALL DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

10. DEFERRED TAXATION

	2008 £	2007 £
At 1 July 2007	12,773	12,773
Charge for the year	9,252	-
At 30 June 2008	<u>22,025</u>	<u>12,773</u>

The provision for deferred taxation is made up as follows:

	2008 £	2007 £
Accelerated capital allowances	<u>22,025</u>	<u>12,773</u>

11. SHARE CAPITAL

	2008 £	2007 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. RESERVES

	Profit and loss account £
At 1 July 2007	259,256
Profit for the year	324,580
At 30 June 2008	<u>583,836</u>

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Opening shareholders' funds	259,258	82,954
Profit for the year	324,580	176,304
Closing shareholders' funds	<u>583,838</u>	<u>259,258</u>

WBA FOOTBALL DEVELOPMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

14. CONTINGENT LIABILITIES & OTHER COMMITMENTS

The company is party to a cross guarantee and debenture to secure balances due to bankers by other group companies.

15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from the requirement to disclose related party transactions with other group companies on the grounds that group accounts are prepared.

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent company is West Bromwich Albion Holdings Limited, a company registered in England and Wales. Group financial statements are available at The Hawthorns, West Bromwich, West Midlands.