

AMENDING

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016
FOR
WREXHAM AFC LIMITED**

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for the Year Ended 30 June 2016

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WREXHAM AFC LIMITED

COMPANY INFORMATION
for the Year Ended 30 June 2016

DIRECTORS:

M A Williams
G G Jones

REGISTERED OFFICE:

c/o McLintocks
The Coach House
25 Rhosddu Road
Wrexham
LL11 1EB

REGISTERED NUMBER:

07698872 (England and Wales)

AUDITORS:

McLintocks Partnership Limited
Chartered Accountants
Statutory Auditors
The Coach House
25 Rhosddu Road
Wrexham
LL11 1EB

**REPORT OF THE DIRECTORS
for the Year Ended 30 June 2016**

The directors present their report with the financial statements of the company for the year ended 30 June 2016.

REVIEW OF BUSINESS

Season 2015/16

Executive Summary

The 2015/16 season resulted in our fortunes on the pitch mirroring our fortunes off the pitch. A positive start to the season resulted in us occupying play off positions but as our performance dipped during the autumn period we did not have the positive impact of our cup runs and retail income to fall back on.

Although we improved on our final league position, up by three places, to finish eight, we ultimately failed to achieve our main aim of a play-off position, albeit being in contention to the final month of the season.

When comparing our actual financial performance to budget approved at the WST 2015 AGM we made a loss before the deduction of depreciation, amortisation and stadium acquisition costs of £146,000 against a budgeted loss of £70,000.

Football Review

The season saw Gary Mills and Darren Caskey join as first team manager and assistant manager respectively after we paid the release clause totalling £40,000 to Gateshead FC at the end of the previous financial year.

The season started positively with a club initiated 'BuildTheBond' marketing campaign which along with a run of five straight victories we soon found ourselves challenging for a play-off position. This was reflected in average crowds of just under 5,000 by the end of September and we decided to re invest additional income in the first team, like we have done in previous seasons.

Unfortunately our form dipped during the autumn and winter period where we exited both cup competitions at home to Gainsborough Trinity in the fourth qualifying round of the FA Cup and at Torquay United in the second round of the FA Trophy.

With further recruitment in the January transfer window our form improved as spring approached with a return of six wins, one draw and one defeat in seven games, which included the memorable 3-0 victory over Chester at the Racecourse. However, a run of one win from our remaining six games resulted in us finishing in eighth position, eleven points adrift of a play-off position.

Off the Pitch Review

Following the departure of our Commercial Manager to a Championship Club at the end of the previous season we experienced a slow start to our off field activities. However, once this position was recruited in October there was a noticeable increase in activity with overall matchday commercial income finishing £10,000 ahead of the previous season.

REPORT OF THE DIRECTORS
for the Year Ended 30 June 2016

Our retail income finished behind our sales figure for the previous season but this was due to a shortage of supply of replica shirts, there was no FA Cup Third Round to look forward to during our crucial Christmas period and we did not have the benefit of the 150th year anniversary. However, despite the reduction in turnover the overall profit contribution finished £17,600 behind the previous season.

Our overall gate receipts finished ahead of budget by £125,000 helped by the early season campaign and a number of event based initiatives including 'Barroween', 'Flag day' and the 'My Racecourse' game. However this was balanced with the board's policy of supporting the First Team manager by increasing first team expenditure over the original budget and on the previous season.

In terms of operating costs we had to spend an additional £46,000 on facilities that what was not budgeted for and a further investment of £18,900 on stadium improvements to maintain the current capacities of the Mold Road and University End stands.

Looking forward

Following the end of the financial year the club, through our sister company, signed a 100 year lease to take back ownership of the Racecourse Ground, launching the branding of 'MyRacecourse' in the final home game of the season versus Braintree Town. This achievement cannot be understated as, although it does carry additional cost, it does give an opportunity to increase our revenue on non matchdays and also have control over stadium operational costs that the previous license model did not allow.

Thank you

Finally, you can see from the Balance Sheet that the total investment made by Wrexham Supporters Trust has risen to over £850,000 during the financial year. This is a substantial investment from supporters and this figure does not take into account the numerous voluntary hours provided by supporters throughout the season on a variety of tasks.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

M A Williams
G G Jones

Both of the directors were re-elected to office on 2 July 2015.

REPORT OF THE DIRECTORS
for the Year Ended 30 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

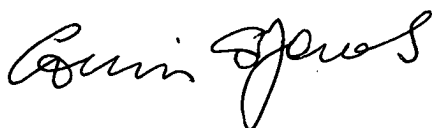
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



G G Jones - Director

30 March 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WREXHAM AFC LIMITED

We have audited the financial statements of Wrexham AFC Limited for the year ended 30 June 2016 on pages seven to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 four, 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 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 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WREXHAM AFC LIMITED**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Timothy Mitchell FCA (Senior Statutory Auditor)
for and on behalf of McLintocks Partnership Limited
Chartered Accountants
Statutory Auditors
The Coach House
25 Rhosddu Road
Wrexham
LL11 1EB

30 March 2017

WREXHAM AFC LIMITED (REGISTERED NUMBER: 07698872)**PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2016**

	Notes	2016 £	2015 £
TURNOVER		2,091,719	2,249,456
Cost of sales		<u>1,782,841</u>	<u>1,803,610</u>
GROSS PROFIT		308,878	445,846
Administrative expenses		<u>510,818</u>	<u>433,726</u>
		(201,940)	12,120
Other operating income		<u>4,809</u>	-
OPERATING (LOSS)/PROFIT	2	(197,131)	12,120
Interest receivable and similar income		<u>-</u>	<u>35</u>
		(197,131)	12,155
Interest payable and similar charges		<u>143</u>	<u>568</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(197,274)	11,587
Tax on (loss)/profit on ordinary activities	3	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(197,274)</u>	<u>11,587</u>

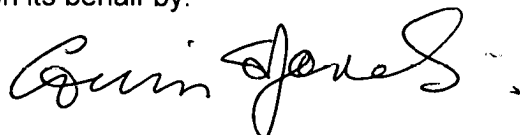
The notes form part of these financial statements

BALANCE SHEET
30 June 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	4	25,794	39,161
Tangible assets	5	119,981	97,861
		<u>145,775</u>	<u>137,022</u>
CURRENT ASSETS			
Stocks		69,633	58,038
Debtors	6	246,655	81,692
Cash at bank and in hand		96,307	81,663
		<u>412,595</u>	<u>221,393</u>
CREDITORS			
Amounts falling due within one year	7	876,877	612,445
NET CURRENT LIABILITIES		<u>(464,282)</u>	<u>(391,052)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(318,507)</u>	<u>(254,030)</u>
CREDITORS			
Amounts falling due after more than one year	8	18,155	26,652
NET LIABILITIES		<u>(336,662)</u>	<u>(280,682)</u>
CAPITAL AND RESERVES			
Called up share capital	10	851,274	709,980
Profit and loss account	11	(1,187,936)	(990,662)
SHAREHOLDERS' FUNDS		<u>(336,662)</u>	<u>(280,682)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 30 March 2017 and were signed on its behalf by:



G G Jones - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Turnover is stated exclusive of value added tax, and match receipts are recognised net of payments owing to visiting clubs, the Football Association and the Football Conference.

Gate and other match day revenue is recognised over the period of the football season as games are played. Sponsorship income is recognised over the duration of the contract. Broadcasting fees are recognised when earned.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of two years.

Player registrations

Player registrations are amortised over the life of the individual contracts. Where registration costs are in relation to a contract expiring within the same financial year, such costs are recognised in the year of registration.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- Straight line over the life of the lease
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Stocks

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

Deferred tax

Deferred tax is provided in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax assets are recognised to the extent that it is regarded that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2016

1. 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 the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Deferred income

Income from matchday activities and commercial contracts, which has been received prior to the year end in respect of future football seasons is treated as deferred income.

2. OPERATING (LOSS)/PROFIT

The operating loss (2015 - operating profit) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	16,846	11,580
Depreciation - assets on hire purchase contracts	-	2,069
Loss on disposal of fixed assets	658	-
Player registrations amortisation	13,333	7,778
Trademarks amortisation	34	34
Auditors' remuneration	7,000	7,000
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	-	-
	<u> </u>	<u> </u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2016 nor for the year ended 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2016

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Player registrations £	Trademarks £	Totals £
COST				
At 1 July 2015	443,990	55,000	340	499,330
Disposals	-	(5,000)	-	(5,000)
At 30 June 2016	443,990	50,000	340	494,330
AMORTISATION				
At 1 July 2015	443,990	16,111	68	460,169
Amortisation for year	-	13,333	34	13,367
Eliminated on disposal	-	(5,000)	-	(5,000)
At 30 June 2016	443,990	24,444	102	468,536
NET BOOK VALUE				
At 30 June 2016	-	25,556	238	25,794
At 30 June 2015	-	38,889	272	39,161

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 July 2015	93,385	7,640	14,466
Additions	23,983	16,625	-
At 30 June 2016	117,368	24,265	14,466
DEPRECIATION			
At 1 July 2015	11,209	4,033	5,711
Charge for year	8,693	4,443	2,894
Eliminated on disposal	-	-	-
At 30 June 2016	19,902	8,476	8,605
NET BOOK VALUE			
At 30 June 2016	97,466	15,789	5,861
At 30 June 2015	82,176	3,607	8,755

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2016

5. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2015	10,346	17,135	142,972
Additions	-	924	41,532
Disposals	(10,346)	-	(10,346)
	<u>-</u>	<u>18,059</u>	<u>174,158</u>
At 30 June 2016	-	18,059	174,158
DEPRECIATION			
At 1 July 2015	7,780	16,378	45,111
Charge for year	-	816	16,846
Eliminated on disposal	(7,780)	-	(7,780)
	<u>-</u>	<u>17,194</u>	<u>54,177</u>
At 30 June 2016	-	17,194	54,177
NET BOOK VALUE			
At 30 June 2016	-	865	119,981
	<u>-</u>	<u>865</u>	<u>119,981</u>
At 30 June 2015	2,566	757	97,861
	<u>2,566</u>	<u>757</u>	<u>97,861</u>

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

	Motor vehicles £
COST	
At 1 July 2015	10,346
Disposals	(10,346)
	<u>-</u>
At 30 June 2016	-
DEPRECIATION	
At 1 July 2015	8,411
Eliminated on disposal	(8,411)
	<u>-</u>
At 30 June 2016	-
NET BOOK VALUE	
At 30 June 2016	-
	<u>-</u>
At 30 June 2015	1,935
	<u>1,935</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2016

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	140,939	25,449
Other debtors	2,970	8,283
Gold Bond Control Account	3,653	3,000
Loans to players	-	3,100
Accrued income	60,487	1,912
Prepayments	38,606	39,948
	<u>246,655</u>	<u>81,692</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Hire purchase contracts	-	559
Trade creditors	264,251	71,917
Amounts owed to group undertakings	44,757	27,017
Social security and other taxes	24,464	18,541
VAT	82,493	76,625
Other creditors	1,121	2,902
Pensions	13,086	10,839
Deferred income (Season tickets and Sponsorship)	430,764	393,482
Accrued expenses	15,941	10,563
	<u>876,877</u>	<u>612,445</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015
	£	£
Pensions	<u>18,155</u>	<u>26,652</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Hire purchase contracts	<u>-</u>	<u>559</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2016

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
851,274	Ordinary	£1	<u>851,274</u>	<u>709,980</u>

141,294 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

11. RESERVES

	Profit and loss account £
At 1 July 2015	(990,662)
Deficit for the year	<u>(197,274)</u>
At 30 June 2016	<u>(1,187,936)</u>

12. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

Wrexham Football Supporters' Society Limited (trading as Wrexham Supporters Trust) is the company's ultimate parent company and controlling party.

Wrexham Football Supporters' Society Limited (trading as Wrexham Supporters Trust) is owned by its members and as such there is no ultimate controlling party.

13. POST BALANCE SHEET EVENTS

On 1 August 2016, WST Assets Limited entered into a 99 year lease on the Racecourse Ground, Wrexham. WST Assets Limited is a related party to Wrexham AFC Limited as both companies are 100% subsidiaries of Wrexham Supporters' Football Society Limited.

14. GOING CONCERN

The company made a net loss for year ended 30 June 2016 and had net liabilities at the year end. The financial statements have been prepared on a going concern basis on the grounds that the company will continue to be supported financially by the Wrexham Supporters Trust for the foreseeable future.

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2016

	2016		2015	
	£	£	£	£
Turnover				
Gate Receipts	900,002		957,057	
Matchday Commercial Income	146,187		134,294	
Football Income	87,481		136,858	
Non Matchday Commercial Income	160,497		176,986	
Retail Income	225,609		306,977	
Transfer Fees and Prize Money	161,795		156,835	
Gold Bond	33,129		36,897	
Centre for Excellence & Glyndwr				
Football Academy	298,686		234,496	
Donations	22,653		18,834	
Away Travel Income	55,680		90,222	
		2,091,719		2,249,456
Cost of sales				
Matchday Costs	160,510		166,221	
Matchday Commercial Costs	62,869		61,275	
Football Costs	1,081,521		988,225	
Retail Costs	159,144		222,845	
Gold Bond Costs	17,505		18,716	
Centre for Excellence & Glyndwr				
Football Academy Costs	236,351		253,621	
Away Travel Costs	45,353		71,359	
Non Matchday Commercial Costs	7,088		21,348	
Transfer fees cost	12,500		-	
		1,782,841		1,803,610
GROSS PROFIT		308,878		445,846
Other income				
Pension deficit revaluation	4,809		-	
Deposit account interest	-		35	
		4,809		35
		313,687		445,881
Expenditure				
Facility Costs	257,793		216,270	
Insurance	11,392		9,066	
Telephone	7,164		7,071	
Office Costs	12,353		13,430	
Travel & Subsistence	2,398		1,913	
Motor expenses	22,139		15,073	
Sundry expenses	3,112		5,156	
Carried forward	316,351	313,687	267,979	445,881

This page does not form part of the statutory financial statements

TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2016

	2016		2015	
	£	£	£	£
Brought forward	316,351	313,687	267,979	445,881
Legal and professional fees	1,600		-	
Administration costs	98,417		92,889	
Stadium lease acquisition cost	18,735		-	
Auditors' remuneration	7,000		7,000	
Marketing costs	4,500		10,296	
Donations	11,830		13,149	
		458,433		391,313
		(144,746)		54,568
Finance costs				
Bank charges	20,307		20,953	
Hire purchase Interest	143		568	
		20,450		21,521
		(165,196)		33,047
Depreciation				
Player registrations	13,333		7,778	
Computer software	34		34	
Improvements to property	8,693		6,437	
Plant and machinery	4,443		1,528	
Fixtures and fittings	2,893		2,893	
Motor vehicles	1,207		2,069	
Computer equipment	817		721	
		31,420		21,460
		(196,616)		11,587
Loss on disposal of fixed assets				
Motor vehicles		658		-
NET (LOSS)/PROFIT		(197,274)		11,587

This page does not form part of the statutory financial statements