

WRU GWENT STADIUM LIMITED

Financial Statements

For the year ended 30 June 2021

Company Registration Number: 10774494



WRU GWENT STADIUM LIMITED

Company Information

Directors

David Buttress
Liza Burgess (appointed 30 November 2020, resigned 12 November 2021)
Timothy Griffin (resigned 30 April 2021)
Ian Jeffery
Timothy Moss (resigned 30 November 2020)
Brynley Parker (appointed 1 May 2021)
David Reynolds
Colin Wilks (appointed 12 November 2021)

Company secretary

Rhys Williams (appointed 25 September 2020)
Rhodri Lewis (resigned 25 September 2020)

Registered number

10774494

Registered office

Principality Stadium
Westgate Street
Cardiff
CF10 1NS

Independent auditor

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
One Kingsway
Cardiff
CF10 3PW

WRU GWENT STADIUM LIMITED

Financial Statements for the year ended 30 June 2021

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Balance sheet as at 30 June 2021

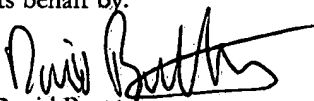
	Note	2021 £'000	2020 £'000
Fixed Assets			
Tangible assets	3	4,680	4,803
Current Assets			
Stock	4	16	17
Debtors	5	494	376
Cash at bank and in hand		-	-
		510	393
Creditors - amounts falling due within one year	6	(1,790)	(1,072)
Net current liabilities		(1,280)	(679)
Total assets less current liabilities		3,400	4,124
Creditors - amounts falling due after more than one year	7	(6,100)	(6,100)
Provisions for liabilities	8	(33)	(26)
Net liabilities		(2,733)	(2,002)
Capital and Reserves			
Called up share capital		-	-
Profit and loss account		(2,733)	(2,002)
Total shareholders' deficit		(2,733)	(2,002)

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 financial statement have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The Company has opted not to file the directors' report and the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 4 to 10 were approved by the Board of Directors on 16 March 2022 and signed on its behalf by:


David Buttress

Director

WRU Gwent Stadium Limited

Company Number: 10774494

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Notes to the financial statements for the year ended 30 June 2021

1. Accounting policies

(a) General information

The Company is limited by shares and is incorporated in England and Wales and domiciled in the UK. The address of its registered office is Principality Stadium, Westgate Street, Cardiff, CF10 1NS.

(b) Statement of compliance

The financial statements of WRU Gwent Stadium Limited have been prepared in compliance with United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(c) Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

(d) Going concern

The Covid-19 pandemic and associated restrictions continue to create uncertainty for the Company. The Company is continuing to host professional sports and other events and has sufficient funding to do so for the foreseeable future. The Directors have received undertakings from the parent company of the Company that it will support the Company for at least twelve months from the date of signing these financial statements. The financial position and forecasts, along with the underlying assumptions, of the parent company and the group have been reviewed by Directors and it was concluded that there were sufficient resources to support the Company for at least twelve months from the date of signing these financial statements. Accordingly, the Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and it therefore continues to adopt the going concern basis in preparing the financial statements.

(e) Related party transactions

The company has taken advantage of the exemption, under FRS102 paragraph 33.2, from disclosing transactions with members of the same group that are wholly owned.

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1. Accounting policies (continued)

(f) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's members.

The Company has taken advantage of the following exemptions for the separate financial statements:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the financial statements of The Welsh Rugby Union Limited, includes the Company's cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.41 to 11.48A and paragraphs 12.27 to 12.29, as the information is provided in the consolidated financial statement disclosures; and
- (iii) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7

(g) Turnover

The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the Company's sales channels have been met, as described below.

(h) Operating leases

Costs in respect of operating leases, being leases where the risks and rewards of holding an asset do not substantially transfer to the lessee, have been recognised as they accrue.

(i) Tangible assets and depreciation

Tangible assets are stated at cost, net of depreciation and 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 provided in equal annual instalments over their estimated useful lives. The rates of depreciation are as follows:

Land	- Not depreciated
Plant, machinery, fixtures and fittings	- 10-25% per annum

(j) Current and deferred tax

The tax expense comprises current and deferred tax. The current tax charge is calculated on the basis of tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is measured on a non-discounted basis.

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1. Accounting policies (continued)

(k) Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors 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 rate 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. They are first assessed individually for impairment, or collectively where the debtors are not individually significant. Where there is no objective evidence of impairment for an individual debtor, it is included in a group of debtors with similar credit risk characteristics and these are assessed collectively for impairment based on their ageing.

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 loss is recognised in profit or loss.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow Group companies 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.

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. 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and 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.

(l) Recognition of constructive liabilities

Where an event occurs that creates a constructive or legal obligation on the Company and it is probable that an outflow of resources, which can be reliably estimated, will be required to settle the obligation a liability is recognised in full in the period when the event occurred.

Constructive liabilities are measured at the present value of expenditures expected to be required to settle the obligation. In certain circumstances the transfer of cash to settle the liability may occur in subsequent periods.

(m) Critical judgments

There are no critical judgments represented in the financial statements of the Company

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1. Accounting policies (continued)

(n) Key accounting estimates and assumptions

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 in the carrying amounts of assets and liabilities within the next financial year are addressed below.

- Bad Debt Provision

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience.

2. Employees and directors

Staff numbers

	2021 Number	2020 Number
The monthly full time equivalent average number of employees during the year was:		
Operations	16	21
	16	21

Directors' emoluments

The Directors did not receive any emoluments in respect of their services to the Company.

3. Tangible assets

	Land £'000	Plant, machinery, fixtures and fittings £'000	Total £'000
Cost			
At 1 July 2020	4,156	1,396	5,552
Additions	-	142	142
At 30 June 2021	4,156	1,538	5,694
Accumulated Depreciation			
At 1 July 2020	-	(749)	(749)
Charge for the year	-	(265)	(265)
At 30 June 2021	-	(1,014)	(1,014)
Net book value			
At 30 June 2021	4,156	524	4,680
At 30 June 2020	4,156	647	4,803

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4. Stock

	2021	2020
	£'000	£'000
Goods for resale	16	17

5. Debtors

	2021	2020
	£'000	£'000
Amounts due within one year:		
Trade debtors	237	154
Corporation tax	120	179
Prepayments and accrued income	120	15
Other debtors	17	28
Amounts owed by group undertakings	-	-
	494	376

6. Creditors - Amounts falling due within one year

	2021	2020
	£'000	£'000
Trade creditors	22	37
Amounts owed to group undertakings	868	667
Social security and other taxes	49	103
Bank overdrafts	704	131
Accruals and deferred income	147	134
	1,790	1,072

7. Creditors - Amounts falling due after more than one year

	2021	2020
	£'000	£'000
Share capital treated as debt	6,100	6,100
	6,100	6,100

A fixed cumulative preferential dividend at an annual rate of 3% of the nominal value per share shall be paid each year.

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8. Provisions for liabilities

Deferred tax liability

	2021 £'000
At beginning of year	26
Charged to statement of comprehensive income	7
At end of year	33

Deferred tax liability is made up as follows:

	2021 £'000	2020 £'000
Accelerated capital allowances	33	26
Other timing differences	-	-
	33	26

9. Capital Commitments

At 30 June 2021 the Company had capital commitments of £996,369 (2020: £Nil)

10. Related party transactions

As at year end, £Nil (2020: £142) was held within trade debtors relating to David Buttress, a director of the company. Services provided to David Buttress in the year totalled £Nil (2020: £13,120) and relate to hospitality services.

During the year, the Company sold £Nil (2020: £4,900) of services to The Welsh Rugby Union Limited.

During the year, the Company bought £33,563 (2020: £7,400) of services from The Welsh Rugby Union Limited. £Nil (2020: £7,400) was outstanding at the end of the year.

11. Immediate and ultimate parent company

The immediate parent company is The WRU Gwent Region Limited. The ultimate parent company and controlling party is The Welsh Rugby Union Limited, registered in England and Wales. The largest and smallest United Kingdom group in which the results of the Company are consolidated is that headed by The Welsh Rugby Union Limited. Copies of these financial statements can be obtained from Principality Stadium, Westgate Street, Cardiff, CF10 1NS.

12. Auditors' information

In accordance with s444(5B) of the Companies Act 2006:

The audit report for WRU Gwent Stadium Limited was unqualified;

There were no matters to which the auditors drew attention by way of emphasis;

The independent auditors of the company is PricewaterhouseCoopers LLP and the auditors' report was signed by Jason Clarke, Senior Statutory Auditor.