

Company Registration No. 14525696 (England and Wales)

**NEWCASTLE UNITED FOOTBALL CLUB PROJECTS
LIMITED**

**REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 JUNE 2023**



NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

COMPANY INFORMATION

Directors	D G Eales A L Staveley
Company number	14525696
Registered office	St James' Park Strawberry Place Newcastle upon Tyne NE1 4ST
Auditor	RSM UK Audit LLP Statutory Auditors Chartered Accountants 25 Farringdon Street London EC4A 4AB

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 JUNE 2023

The directors present their annual report and financial statements for the period from 6 December 2022 to 30 June 2023.

Principal activities

The company was incorporated on 6 December 2022, and on 16 May 2023 acquired a long leasehold interest in land at Strawberry Place, Newcastle Upon Tyne.

Acquisition of the land offers the Newcastle United Group (of which the Company is a member) both short-term and long-term commercial opportunities. The Group is currently progressing the development of a Fanzone on the site which it is hoped will open in Spring 2024, trading as 'St James' Park STACK, powered by Sela.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

A L Staveley (appointed 6 December 2022)

D G Eales (appointed 6 December 2022)

Auditor

RSM UK Audit LLP were appointed as auditor to the company on 4 September 2023 and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a Board meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



D G Eales
Director

27 March 2024

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2023

The directors are responsible for preparing the Directors' Report 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.

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

Opinion

We have audited the financial statements of Newcastle United Football Club Projects Limited (the 'company') for the period to 30 June 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
 - inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
 - discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.
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NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and completing financial statement disclosure checklists.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to them in an auditor's 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 member for our audit work, for this report, or for the opinions we have formed.

Richard Coates

Richard Coates (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

28 March 2024

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2023

	6 December 2022 – 30 June 2023 £
Turnover	-
Cost of sales	-
	<hr/>
Gross profit	-
Administrative expenses	-
Other operating income	-
	<hr/>
Profit before taxation	-
Tax on profit	-
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Profit for the financial year	-
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NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 30 JUNE 2023

Company Registration No. 14525696

	Notes	30 June 2023 £	£
Fixed assets			
Tangible assets	2		12,458,809
			<u>12,458,809</u>
Current assets			
Debtors	3	1,713	
Cash at bank and in hand		-	
		<u>1,713</u>	
Creditors: amounts falling due within one year	4	(12,460,521)	
Net current liabilities			<u>(12,458,808)</u>
Total assets less current liabilities			<u>1</u>
Capital and reserves			
Called up share capital			1
Profit and loss reserves			-
Total equity			<u>1</u>

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

The financial statements were approved by the board of directors and authorised for issue on 27 March 2024 and are signed on its behalf by:


D G Eales
Director

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2023

	Share capital £	Profit and loss reserves £	Total £
Period ended 30 June 2023:			
Share capital issued in the period	1	-	1
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2023	1	-	1
	<hr/>	<hr/>	<hr/>

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

1 Accounting policies

Company formation

Newcastle United Football Club Projects Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is St James' Park, Strawberry Place, Newcastle upon Tyne, NE1 4ST.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

These financial statements are prepared on the going concern basis. The Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

The parent company, Newcastle United Football Company Limited, has provided a letter of financial support to the company confirming it will provide financial support for at least 12 months from approval of the financial statements. With this available support, the company is able to meet its liabilities as they fall due for at least 12 months from approval of the financial statements.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

The estimated useful lives range as follows:

Leasehold land and buildings - over the shorter of the unexpired term of the lease and 50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2023

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts owed from group companies, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Equity instruments

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

2 Tangible assets

	Long-leasehold land and buildings £
Additions	12,458,509
At 30 June 2023	<u>12,458,809</u>

On 16 May 2023, the company acquired a long leasehold interest in land at Strawberry Place, Newcastle Upon Tyne. The related agreement to lease which requires certain remedial works to be made to the site has been novated to the company. The cost of these works, which will be capitalised within tangible fixed assets, are estimated to be in the region of £1m and are expected to be incurred over the period to 30 June 2028.

3 Debtors

	2023 £
Amounts falling due within one year:	
Other debtors (VAT)	1,713
	<u>1,713</u>

NEWCASTLE UNITED FOOTBALL CLUB PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2023

4 Creditors: amounts falling due within one year

	2023
	£
Amounts owed to group undertakings	12,460,521
	<u>12,460,521</u>

5 Parent company

The parent company of Newcastle United Football Club Projects Limited is Newcastle United Football Company Limited.

The company has taken the exemption under FRS 102 not to disclose transactions with the parent company.

The smallest group in which the results are consolidated is headed by Newcastle United Limited, whose registered office is St James Park, Newcastle Upon Tyne, NE1 4ST. The largest group in which the results are consolidated is the Public Investment Fund which is established in Saudi Arabia and whose financial statements are available online.