

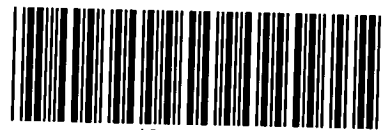
Company registration number: NI601341

Derry City Football Club Ltd

Abridged filleted financial statements

30 November 2020

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Derry City Football Club Ltd

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Derry City Football Club Ltd

Directors and other information

Directors	Mr Philip O'Doherty Mr Tony O'Doherty Mr Sean Barrett Mr Andrew Cassidy Mr Martin Mullan Mr Ciaran Duffy Mr Denis Bradley Mr Declan Callaghan Mr Joseph Doherty Mr Robert Martin
Secretary	Sean Barrett
Company number	NI601341
Registered office	Brandywell Stadium 200 Lone Moor Road Derry BT48 9LB
Auditor	Shaun McGinty & Co (Statutory Auditor) 44 Woodbrook Derry BT48 8FF
Bankers	Bank of Ireland 15 Strand Road Derry BT48 7BT
Solicitors	Hasson & Company Solicitors 39-41 Clarendon Street Derry BT48 7ER

Derry City Football Club Ltd

**Directors responsibilities statement
Year ended 30 November 2020**

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 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; and
- make judgments and accounting estimates that are reasonable and prudent.

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.

Derry City Football Club Ltd


**Abridged statement of financial position
30 November 2020**


	Note	2020 £	£	2019 £	£
Current assets					
Stocks		14,122		11,842	
Debtors		112,864		141,210	
Cash at bank and in hand		110,979		24,930	
		<u>237,965</u>		<u>177,982</u>	
Creditors: amounts falling due within one year		<u>(179,745)</u>		<u>(118,848)</u>	
Net current assets			58,220		59,134
Total assets less current liabilities			58,220		59,134
Net assets			<u>58,220</u>		<u>59,134</u>
Capital and reserves					
Called up share capital			11,043		11,043
Profit and loss account			47,177		48,091
Shareholders funds			<u>58,220</u>		<u>59,134</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

All of the members have consented to the preparation of the abridged statement of financial position for the current year ending 30 November 2020 in accordance with Section 444(2A) of the Companies Act 2006. These financial statements were approved by the board of directors and authorised for issue on 14 January 2021, and are signed on behalf of the board by:


Mr Philip O'Doherty
Director


Mr Sean Barrett
Director

Company registration number: NI601341

The notes on pages 5 to 10 form part of these financial statements.

Derry City Football Club Ltd

**Statement of changes in equity
Year ended 30 November 2020**

	Called up share capital £	Profit and loss account £	Total £
At 1 December 2018	11,043	43,565	54,608
(Loss)/profit for the year	<u> </u>	4,526	4,526
Total comprehensive income for the year	<u> </u>	4,526	4,526
At 30 November 2019 and 1 December 2019	<u>11,043</u>	<u>48,091</u>	<u>59,134</u>
(Loss)/profit for the year	<u> </u>	(914)	(914)
Total comprehensive income for the year	<u> </u>	(914)	(914)
At 30 November 2020	<u><u>11,043</u></u>	<u><u>47,177</u></u>	<u><u>58,220</u></u>

Derry City Football Club Ltd

Notes to the financial statements Year ended 30 November 2020

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Derry City Football Club Limited, Brandywell Stadium, 200 Lone Moor Road, Derry, BT48 9LB.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The club continues to have the financial support of its chairman, Mr Philip O'Doherty, who contributed £100,000 during the November 2020 year and who is owed a further £75,000 in his current account balance. Mr O'Doherty is also committed to providing further funding amounting to £150,000 during the 2021 year. The ongoing financial support of the chairman is essential to ensuring that there are currently no issues with regards to the company's going concern status. Should there be a change with regards to the level of financial support from the chairman, it is unlikely that the company would be able to continue operating at its current level as a going-concern.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Derry City Football Club Ltd

Notes to the financial statements (continued) Year ended 30 November 2020

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

Derry City Football Club Ltd

Notes to the financial statements (continued) **Year ended 30 November 2020**

4. Operating loss/profit

Operating loss/profit is stated after charging/(crediting):

	2020	2019
	£	£
Foreign exchange differences	(4,958)	1,335
Fees payable for the audit of the financial statements	1,500	1,500
Stadium hire and licensing costs	22,258	38,616
Match day and other operating costs	<u>137,811</u>	<u>113,900</u>

The club was 1 of the 3 FAI teams to qualify and play in the qualifying round of the Europa League and the 2020 financial statements include both the income received from UEFA for playing one qualifying game together with the costs incurred for the game. Derry City FC have not qualified for Europe following completion of the 2020 season and there will be no European football income or expenses in 2021.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 33 (2019: 31).

There are 4 full-time paid employees engaged in the management and coaching of the team. The players employment contracts run for the season which usually lasts 10 months but the 2020 season ran for 11 months due to the covid pandemic which has resulted in an additional month's playing salaries. The average employee numbers includes the 11 directors of the company. However the directors are all voluntary and they do not receive any remuneration or expenses for their role in managing the company.

6. Contingent assets and liabilities

1) Player transfer contracts can include conditional income which is dependent upon the meeting of certain conditions. Conditional income is not recognised in the accounts until the conditions have been met. There are also potential additional liabilities owed to other clubs if these conditions are met. As with the potential income, the potential liabilities are only recognised in the accounts when the contract conditions have been met.

2) The various financial assistance and grants awarded to the company are given in accordance with the agreed terms and conditions of the offer as issued by the funder. In the event that the company does not comply with the terms of the offer of assistance that funding could become repayable. Grants are recognised in the financial statements when they are due and no provision would be made for repayment of those grants until the company has been notified of any non-compliance with the terms of the offers.

Derry City Football Club Ltd

Notes to the financial statements (continued) Year ended 30 November 2020

7. Events after the end of the reporting period

The global covid pandemic which started in early 2020 continues to adversely affect all aspects of life and business globally. While the UK and Irish governments have currently allowed elite football to continue to be played, it is being done in closed stadiums with no supporters allowed to attend. This is likely to continue into 2021 and indeed due to the ongoing covid crisis the FAI has already announced that the 2021 season will not start until mid March 2021 at the earliest. The ongoing pandemic will continue to adversely affect all business and sporting activities in 2021 and it is expected that the pandemic will again adversely affect the company's finances and income in 2021.

8. Limitation of auditors liability

As detailed in the letter of engagement dated 29 December 2020 which has been signed and approved by the board of directors, the total potential liability of the auditors is limited in amount to the level of the audit fee charged for one year.

9. Summary audit opinion

The auditor's report for the year dated 14 January 2021 was unqualified.

The statutory auditor was Shaun McGinty, Senior Statutory Auditor of Shaun McGinty & Co (Statutory Auditor).

10. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2020			
	Balance brought forward	Advances /(credits) to the directors	Amounts waived	Balance o/standing
	£	£	£	£
Mr Philip O'Doherty	-	(175,000)	100,000	(75,000)
Mr Declan Callaghan	(2,500)	-	-	(2,500)
	<u>(2,500)</u>	<u>(175,000)</u>	<u>100,000</u>	<u>(77,500)</u>
	2019			
	Balance brought forward	Advances /(credits) to the directors	Amounts waived	Balance o/standing
	£	£	£	£
Mr Philip O'Doherty	(40,000)	-	40,000	-
Mr Declan Callaghan	(2,500)	-	-	(2,500)
	<u>(42,500)</u>	<u>(175,000)</u>	<u>40,000</u>	<u>(2,500)</u>

Derry City Football Club Ltd

Notes to the financial statements (continued) Year ended 30 November 2020

The company Chairman, Mr O'Doherty, provided the company with further loans totalling £175,000 during the year, to assist the company with its working capital requirements. The accounts include £100,000 of this funding as a contribution from Mr O'Doherty, which is the portion of the advance that has been waived by him as not being repayable. The remaining £75,000 balance of Mr O'Doherty's directors current account is included in current liabilities due within one year. There has been no movement on the directors current account of Mr Declan Callaghan, whose current account balance of £2,500 continues to be included in current liabilities due within one year.

11. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2020	2019	2020	2019
	£	£	£	£
E & I Engineering Ltd	202,136	-	-	-
Schnidder Electrical Ltd	15,400	16,555	-	-
Philip O'Doherty - Contribution	100,000	335,000	-	-
Philip O'Doherty - Directors Loan	-	-	75,000	-
E & I Engineering Ltd - sponsorship	2,000	2,000	-	-
Declan Callaghan - directors loan	-	-	2,500	2,500

1) The income for the 2020 financial year includes contributions totalling £100,000 (2019:£335,000) from Mr Philip O'Doherty, the company chairman. The Derry City FC Development Committee, which is independent of the company, also receive contributions from Mr O'Doherty as part of their fundraising for the club. The November 2020 financial statements include £61,400 (2019:£29,000) of contributions from the Development Committee to the company. As at 30 November 2020 creditors also include a directors current account balance of £75,000 (2019:£0) owed to Mr O'Doherty. Mr O'Doherty's directors current account is provided to assist the club with its regular working capital finance requirements. No interest is charged on any balances owed to Mr O'Doherty.

2) The total rental costs in the accounts includes £15,400 (2019: £16,555) due to Schnidder Electrical Ltd, a company owned by Mr Sean Barrett, for the rental of an industrial unit used for training purposes. As at 30 November 2020 there are no outstanding balances between the companies.

3) Advertising and sponsorship income for November 2020 includes £2,000 (2019:£2,000) from E & I Engineering, a company owned by Mr Philip O'Doherty. Advertising and sponsorship is charged to E & I Engineering on the same terms and conditions as non-related parties. As at 30 November 2020 there are no outstanding balances between the two companies.

4) During the November 2020 year there were £202,136 of transactions between Derry City FC Ltd and E & I Engineering. This included £54,366 of football related costs that were paid by E & I and then reimbursed by Derry City as well as £147,770 worth of Derry City FC Euro funds that were exchanged with E & I for sterling funds at an agreed rate so as to provide the club with sterling working capital which is the currency in which most of the club's operating costs are incurred. As at 30 November 2020 there is no balance owed to E & I Engineering by Derry City FC Ltd.

5) Mr Andrew Cassidy, a director of the company, is also a member of the independent Derry City FC Development Committee, which raises funds to assist the club. As already stated above, during the current year the committee contributed £61,400 (2019: £29,000) to the company. As at 30 November 2020 there are no balances between the company and the committee.

6) The board of directors purchase their season tickets and other match tickets at the same price and on the same terms as non-directors.

7) As at 30 November 2020 current liabilities continues to include a temporary loan of £2,500 (2019: £2,500) from Declan Callaghan, who was appointed a director in February 2018. The loan, which is interest free, was provided in connection with merchandising costs and is repayable on demand.

Derry City Football Club Ltd

Notes to the financial statements (continued)
Year ended 30 November 2020

12. Controlling party

There is no single individual who controls the company, instead it is controlled collectively by those shareholders who invested in the company and purchased shares. The board of directors, who between them own £ 192 shares from the total issued shares of £ 11,043, have been elected by the shareholders to manage the company. Elections to the board are held at each annual general meeting.