

Company registration number SC142420 (Scotland)

LIVINGSTON FOOTBALL CLUB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR

LIVINGSTON FOOTBALL CLUB LIMITED

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LIVINGSTON FOOTBALL CLUB LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

		2022	2021
	Notes	£	£
Fixed assets			
Intangible assets	4	25,007	25,789
Tangible assets	5	166,799	43,979
		<u>191,806</u>	<u>69,768</u>
Current assets			
Stocks		600	600
Debtors	6	533,245	705,948
Cash at bank and in hand		1,705,149	2,602,788
		<u>2,238,994</u>	<u>3,309,336</u>
Creditors: amounts falling due within one year	7	<u>(813,893)</u>	<u>(905,719)</u>
Net current assets		<u>1,425,101</u>	<u>2,403,617</u>
Total assets less current liabilities		<u>1,616,907</u>	<u>2,473,385</u>
Creditors: amounts falling due after more than one year	8	(2,122,130)	(2,206,422)
Provisions for liabilities	9	<u>(38,992)</u>	<u>(7,693)</u>
Net (liabilities)/assets		<u><u>(544,215)</u></u>	<u><u>259,270</u></u>
Capital and reserves			
Called up share capital	10	1,928,046	1,881,012
Profit and loss reserves		<u>(2,472,261)</u>	<u>(1,621,742)</u>
Total equity		<u><u>(544,215)</u></u>	<u><u>259,270</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 6 April 2023 and are signed on its behalf by:

R Wilson
Director

J Ward
Director

Company Registration No. SC142420

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Livingston Football Club Limited is a private company limited by shares incorporated in Scotland. The registered office is The Tony Macaroni Arena, Alderstone Road, Livingston, West Lothian, Scotland, EH54 7DN.

1.1 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.

Livingston Football Club Limited is a subsidiary company of Opcco6 Ltd, a company registered in Scotland, with their registered office being The Tony Macaroni Arena, Alderstone Road, Livingston, West Lothian, Scotland, EH54 7DN. Opcco6 Ltd is the ultimate controlling party.

1.2 Going concern

The results for the year to 30 June 2022 show a loss before taxation of £819,220 and a revised forecast for the year to 30 June 2023 indicates a further loss in the region of £400,000. The revised forecast is based on a variety of assumptions regarding the Club's league position for the 2022/23 season, which impacts income from both the SPFL and from match attendance.

The directors have also prepared projections for the year to 30 June 2024, covering the 2023/24 season, which show a breakeven position. The key assumptions are in relation to the Club's league position for the 2023/24 season, which impacts income from both the SPFL and from match attendance; the need to raise funds from transfer income; and the need to control overheads including player salaries.

The balance sheet at 30 June 2022 shows net liabilities of £544,215, but also shows net current assets of £1,425,101. This is because of long term borrowings, the most significant being a long term loan from the Scottish Government of £1,783,000 which, following recent correspondence, is now repayable in annual instalments of £84,905 in September each year over a 21 year period, with the balance of the first years repayment due in September 2023 and then annually thereafter. The Club also has long term bank borrowings and other long term borrowings as discussed in the 'Creditors: amounts falling due after more than one year' and 'Events after the reporting date' notes to the financial statements.

Given the long term nature of the debt and the current projections, which will be monitored and updated on a regular basis, the directors are confident that the Club has sufficient funds to continue trading for a period of at least 12 months from the date of approval of these financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

The costs associated with the acquisition of players are capitalised as intangible fixed assets. The amounts are then amortised over the period of the player's contract and the estimated residual values are assumed to be nil. The company assesses at each reporting date whether there are any indications of impairment.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Stamp duty on stadium lease	Over the term of the lease (being 50 years)
Player registrations	Over the term of the player's contract

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10 years straight line
Plant and equipment	3 - 4 years straight line
Motor vehicles	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and costs that have been incurred in bringing the stocks to their present location and condition.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.9 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 in the company's balance sheet 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.

Debtors

Debtors with no stated interest rate or receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

All interest bearing loans and borrowings which are basic financial instruments are initially recorded at the present value of cash payable. After initial recognition they are measured at amortised cost.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the 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.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	70	58

3 Other operating income

Other operating income includes government grant income received of £9,094 (2021: £165,491) in relation to the Coronavirus Job Retention Scheme, £25,000 (2021: £25,000) from the SPFL Trust and £20,000 (2021: £nil) from the SFA to support the cost of Covid-19, and £4,173 (2021: £22,667) in relation to Business Support and Job Creation Grants from West Lothian Council.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Intangible fixed assets

	Stamp duty on stadium lease
	£
Cost	
At 1 July 2021 and 30 June 2022	39,084
Amortisation and impairment	
At 1 July 2021	13,295
Amortisation charged for the year	782
At 30 June 2022	14,077
Carrying amount	
At 30 June 2022	25,007
At 30 June 2021	25,789

Player registration costs included within intangible fixed assets amounted to £nil (2021: £nil).

5 Tangible fixed assets

	Leasehold Improvements	Plant and equipment etc	Total
	£	£	£
Cost			
At 1 July 2021	11,950	365,250	377,200
Additions	81,794	70,888	152,682
At 30 June 2022	93,744	436,138	529,882
Depreciation and impairment			
At 1 July 2021	697	332,524	333,221
Depreciation charged in the year	5,567	24,295	29,862
At 30 June 2022	6,264	356,819	363,083
Carrying amount			
At 30 June 2022	87,480	79,319	166,799
At 30 June 2021	11,253	32,726	43,979

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

6 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	122,352	181,531
Other debtors	410,893	524,417
	<u>533,245</u>	<u>705,948</u>

7 Creditors: amounts falling due within one year	2022	2021
	£	£
Bank loans	10,000	10,000
Other loans	74,291	-
Trade creditors	142,358	121,849
Taxation and social security	169,445	266,482
Other creditors	71,658	118,691
Accruals and deferred income	346,141	388,697
	<u>813,893</u>	<u>905,719</u>

Bank loans above represent an unsecured bank loan from The Bank of Scotland plc obtained through the Coronavirus Bounce Back Loan Scheme with a draw down date of 7 June 2020. The loan is repayable over six years with no repayments required in the first year, and carries a fixed interest rate of 2.5% per annum.

Other loans above represent an unsecured, interest free loan from the Scottish Government of £1,783,000. This is repayable over 21 years with repayments commencing from 1 September 2022. The Scottish Government Loan is subject to stringent conditions of use as set out in the loan agreement.

8 Creditors: amounts falling due after more than one year	2022	2021
	£	£
Notes		
Bank loans	29,167	39,168
Other loans	1,708,709	1,783,000
Other creditors	384,254	384,254
	<u>2,122,130</u>	<u>2,206,422</u>

Bank loans above represent an unsecured bank loan from The Bank of Scotland plc obtained through the Coronavirus Bounce Back Loan Scheme with a draw down date of 7 June 2020. The loan is repayable over six years with no repayments required in the first year, and carries a fixed interest rate of 2.5% per annum.

Other creditors above include £254,220 (2021: £254,220) of interest free loans which are not repayable on demand. This is per the Court of Session Decree issued on 17 April 2015 which instructed all loans prior to September 2010 will only be repaid when the company is in a financially viable position to do so. During the previous year a loan balance of £215,367 was fully settled for a reduced amount of £185,000 following a negotiated settlement.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

8 Creditors: amounts falling due after more than one year (Continued)

Other loans above represent an unsecured, interest free loan from the Scottish Government of £1,783,000. This is repayable over 21 years with repayments commencing from 1 September 2022. The Scottish Government Loan is subject to stringent conditions of use as set out in the loan agreement.

Amounts included above which fall due after five years are as follows:

Payable by instalments	1,352,108	1,423,272
	<u> </u>	<u> </u>

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Fixed asset timing differences	38,992	7,693
	<u> </u>	<u> </u>
Movements in the year:		2022 £
Liability at 1 July 2021		7,693
Charge to profit or loss		31,299
		<u> </u>
Liability at 30 June 2022		38,992
		<u> </u>

10 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	1,928,046	1,881,012	1,928,046	1,881,012
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

During the year the company issued 46,884 ordinary shares of £1 at par value from the Operating Fund that was accumulated from supporters contributions during the Covid-19 period.

During the year the company issued 150 ordinary shares of £1 at par value.

During the previous financial year the company issued 30,174 ordinary shares of £1 to Livi For Life Supporters Trust. These shares were fully paid at par value in exchange for services received from Livi For Life members, the corresponding notional cost of which was included in cost of sales.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Emphasis of matter - events after the reporting date

We draw attention to the 'Events after the reporting date' note to the financial statements, which describes an ongoing event after the reporting date. Our opinion is not modified in respect of this matter.

Senior Statutory Auditor:	Iain Binnie
Statutory Auditor:	Geoghegans

12 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments:

	2022	2021
	£	£
Within one year	58,029	65,556
Between two and five years	204,778	212,407
In over five years	1,407,000	1,457,399
	<u>1,669,807</u>	<u>1,735,362</u>

The lease commitment above which is payable in over five years relates solely to the stadium lease which expires in May 2055.

LIVINGSTON FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

13 Events after the reporting date

The directors continue to be involved in a dispute with certain former investors. They have undertaken a detailed review of all balances due to these parties, together with any related share issues to clear these balances. This review has been undertaken in conjunction with professional advisers and the dispute is still ongoing at the date of signing these financial statements.

The dispute is about sums due in relation to "other reserves" of £583,260 included in the accounts for the year ended 30 June 2017. These "other reserves" were established following a Court of Session Decree issued on 17 April 2015. The principal was established that certain loans made by certain investors to the club prior to September 2013 were not repayable on demand, and should only be repaid when the company could afford to do so. The balance was treated as "other reserves" in the financial statements for the year ended 30 June 2017 as the balance was deemed to be non repayable loans and these amounts were expected to be converted to share capital.

Since that date, £500,000 of shares have been issued to Opcco 6 Limited from that reserve. The balance of £83,260 has been released back to non repayable loans.

The dispute is also about other long term debt, currently shown at £384,254 in other creditors, which again was established as deemed not to be repayable on demand following the above Decree.

The company has raised an action against one of the former investors for the recovery of money. An action has been raised by one of the former investors to recover money from the company, and the directors continue to vigorously defend that claim.

As a result of these cases the issue of the shares and the subsequent reallocation of the balance to clear the "other reserves" and the value included in creditors: amounts due within more than one year relating to repayable loans prior to September 2013 continues to be challenged.

The financial statements do not reflect any balance sheet reallocations that may be necessary once the cases have been settled.

14 Related party transactions

Included within other debtors is an interest free loan of £1,307 (2021: £141,214) made to a member of key management personnel. This balance has been fully repaid since the year end and up to the date of signing of these financial statements.

The directors are of the opinion that all other related party transactions are conducted under normal market conditions and on an arm's length basis and therefore do not need to be disclosed under FRS 102 section 1A appendix C.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.