

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021  
FOR  
WIGAN RUGBY LEAGUE CLUB LIMITED**

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for the Year Ended 30 November 2021**

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**WIGAN RUGBY LEAGUE CLUB LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 30 November 2021**

**DIRECTORS:**

I F Lenagan  
W Higham  
K J Radlinski M.B.E  
Dr C Brookes  
D J Moore  
D C Eales

**SECRETARY:**

D J Moore

**REGISTERED OFFICE:**

Robin Park Arena  
Loire Drive  
Wigan  
Lancashire  
WN5 0UH

**REGISTERED NUMBER:**

00174692 (England and Wales)

**AUDITORS:**

Fairhurst  
Statutory Auditors  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

**BANKERS:**

Barclays Bank PLC  
1st Floor  
3 Hardman Street  
Spinningfields  
Manchester  
M3 3HF

**STRATEGIC REPORT  
for the Year Ended 30 November 2021**

The directors present their strategic report for the year ended 30 November 2021.

**REVIEW OF BUSINESS**

The company reported an operating loss of £1,758k (2020: £443k) for the year. As in 2020, the results for the year were significantly impacted by the Covid-19 pandemic, in particular match day revenues during periods of no or restricted attendance.

As the company's operations continued throughout 2021, the availability of Covid-19 related government support was significantly reduced (in particular the Job Retention Scheme), and as a result the ability to utilise this support to mitigate the reduction in revenue was significantly reduced.

As a consequence the company made a much greater operating loss in 2021 than in 2020. Whilst this has been challenging, the losses have been managed through utilisation of loan funding from the UK Government and from Lenagan Investments Limited.

Overall turnover increased by 3.6% to £4.6m (2020: £4.5m). The composition of turnover during 2021 has again changed significantly from previous years as a result of the pandemic.

<b>Revenue category</b>	<b>2021 (%)</b>	<b>2020 (%)</b>	<b>2019 (%) (pre-covid)</b>
Matchday	16	9	34
Broadcasting revenues & prize money	43	34	32
Sponsorship	16	14	13
Retail	16	12	12
Other	9	31	9
Total	100	100	100

Salary costs increased by a modest 4.5% to £4.6m (2020: £4.4m) following a significant reduction in 2020.

The Board's medium-term goal for the company continues to be to achieve a break-even performance to both ensure the financial sustainability of the company and to provide the best opportunity for continued success in Rugby League.

The company has utilised the loan funding made available to professional Rugby League by the UK Government Department for Culture, Media and Sport in response to the Covid-19 pandemic. In addition to the £980k borrowed in August 2020, during the year the company borrowed a further amount of £1,025k in June 2021. The terms of the loan are favourable, with repayments not expected to commence until 2023. The Board are confident that the repayment terms and interest payments will be able to be managed in the future without a material impact on the resources of the Rugby League team.

The Board has taken further steps to secure sufficient funding from Lenagan Investments Limited to give the company the best chance to be able to continue to progress with the joint strategies of successful rugby league performance and financial sustainability.

On the pitch, 2021 was a disappointing year for the men's first team, with the club achieving a 4th placed position in Super League and then being eliminated in the first playoff fixture at home to Leeds, together with a quarter final defeat to Hull FC in the Challenge Cup.

Following the season, the club changed the structure of the coaching staff, with Matt Peet brought in as Head Coach alongside Lee Briers and Sean O'Loughlin as Assistant Coaches. This led to immediate success in 2022 with the club winning the Challenge Cup for a record 20th time in May 2022, and for the first time since 2013.

The Women's Super League was shortened in 2021 due to Covid-19, with the club achieving a creditable third place position in the regular season. Similarly the academy competition did not resume in 2021.

**STRATEGIC REPORT  
for the Year Ended 30 November 2021**

**KEY PERFORMANCE INDICATORS**

Key performance indicators are used by the directors to measure and evaluate the company's performance and to monitor its various activities. The principal key performance indicators employed in the company are:-

	<b>2021</b>	<b>2020</b>
	<b>£m</b>	<b>£m</b>
Turnover	4.6	4.5
Staff costs	(4.6)	(4.4)
Earnings before interest, taxation, depreciation, amortisation, impairment and profit on sales of players registrations	(1.7)	(0.4)
Operating loss	(1.8)	(0.4)
Profit on sales of players' registrations	-	0.1
Net loss after taxation	(1.8)	(0.5)
Level of external debt	(2.5)	(1.1)
	<b>2021</b>	<b>2020</b>
Average league attendance	8,713	12,222
Final league position	4th	1st
Play off position (Grand Final)	Eliminated in playoffs	2nd
Challenge Cup	Quarter finals	Semi finals

In addition there are various non-financial KPI's which the Board consider to be important in the development of the Club; especially participation in the community, encouraging young, old and disadvantaged people to engage in a variety of activities.

**STRATEGIC REPORT  
for the Year Ended 30 November 2021**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board are responsible for continually assessing the risks applicable to the business. Material risks and uncertainties by a combination of their scale and likelihood are as follows:

- As mentioned in the Strategic Review, all match day revenues of the club during 2020 and 2021 have been pervasively impacted by the Covid-19 pandemic. Whilst conditions will return to normal in 2022, there is a high degree of uncertainty over what lasting impact there may be on attendances and matchday revenues.
- Like all Super League clubs, the company is reliant upon British Sky Broadcasting Group PLC ("Sky") for a material part of its income. The recently renewed broadcasting rights for Super League, including the level of income, are guaranteed until the end of the 2023 Super League season in November 2023.
- In respect of other significant aspects of revenue recognition the company faces the risks and uncertainties inherent in all businesses engaged in professional sport, where financial outcome is directly linked to a team's on-field performance and the level of salaries paid to the players, coaching staff and management, albeit restricted by Salary Cap commitments.

**ON BEHALF OF THE BOARD:**

D J Moore - Director

29 November 2022

**REPORT OF THE DIRECTORS  
for the Year Ended 30 November 2021**

The directors present their report with the financial statements of the company for the year ended 30 November 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of a professional Rugby League club, known as Wigan Warriors.

**DIVIDENDS**

The results for the year and financial position of the company are as shown in the annexed financial statements. The company made an operating loss for the year of £1,758k (2020 - £443k). After deducting interest payable and similar charges, the company's loss for the year after taxation was £1,792k (2020 - £460k). This amount is to be transferred to reserves and no dividend can be paid (2020 - £nil).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 December 2020 to the date of this report.

I F Lenagan  
W Higham  
K J Radlinski M.B.E  
Dr C Brookes  
D J Moore  
D C Eales

**GOING CONCERN**

The company has been significantly affected by the Covid-19 pandemic, as detailed in the Review of Business and the Principal Risks and Uncertainties in the Strategic Report. Through maximising usage of the available appropriate financial support from government, and through funding from shareholders of Lenagan Investments Limited, the company has been able to maintain liquidity and cash flow during this unprecedented period.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. This includes the continued financial support from the shareholders of the parent company, Lenagan Investments Limited. On this basis, along with recent trading results and forecasts, the directors consider it appropriate to prepare the financial statements on the going concern basis.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

**REPORT OF THE DIRECTORS  
for the Year Ended 30 November 2021**

**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.

**ON BEHALF OF THE BOARD:**

D J Moore - Director

29 November 2022



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WIGAN RUGBY LEAGUE CLUB LIMITED**

### **Opinion**

We have audited the financial statements of Wigan Rugby League Club Limited (the 'company') for the year ended 30 November 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 November 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for 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 Auditors' 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.

### **Material uncertainty related to going concern**

We draw your attention to note 2 in the financial statements, which details the measures that have been taken to alleviate the operating losses and address the working capital requirements of the company in 2021/22 and 2022/23. Whilst the directors believe the company has adequate resources to continue in operational existence for the foreseeable future, it remains reliant upon the continued financial support of its parent company, Lenagan Investments Limited and also on loans and grants provided by Government in response to the Covid-19 pandemic. The existence of operating losses, working capital requirements and reliance upon these loans and grants indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WIGAN RUGBY LEAGUE CLUB LIMITED**

### **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 Strategic Report or the Report of the Directors.

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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WIGAN RUGBY LEAGUE CLUB LIMITED**

### **Auditors' 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 a Report of the Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- we identified the laws and regulations applicable to the company through discussions with directors and other management, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation, employment legislation, Health and Safety regulations and Super League sustainability financial regulations including salary caps.

- we enquired of the directors and reviewed correspondence with HMRC for evidence of non-compliance with laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

- we reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- we enquired of the directors about actual and potential litigation and claims.

Due to inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WIGAN RUGBY LEAGUE CLUB LIMITED**

**Use of our report**

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.

John B S Fairhurst BA(Hons) FCA (Senior Statutory Auditor)  
for and on behalf of Fairhurst  
Statutory Auditors  
Chartered Accountants  
Douglas Bank House  
Wigan Lane  
Wigan  
Lancashire  
WN1 2TB

29 November 2022

**WIGAN RUGBY LEAGUE CLUB LIMITED (REGISTERED NUMBER: 00174692)**

**STATEMENT OF COMPREHENSIVE  
INCOME  
for the Year Ended 30 November 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>		4,622,472	4,460,653
Cost of sales		<u>1,113,012</u>	<u>841,126</u>
<b>GROSS PROFIT</b>		3,509,460	3,619,527
Administrative expenses		<u>5,923,809</u> (2,414,349)	<u>5,895,938</u> (2,276,411)
Other operating income		<u>656,540</u>	<u>1,833,816</u>
<b>OPERATING LOSS</b>		(1,757,809)	(442,595)
Interest payable and similar expenses	5	<u>34,654</u>	<u>17,904</u>
<b>LOSS BEFORE TAXATION</b>	6	(1,792,463)	(460,499)
Tax on loss	7	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		(1,792,463)	(460,499)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(1,792,463)</u>	<u>(460,499)</u>

The notes form part of these financial statements

**WIGAN RUGBY LEAGUE CLUB LIMITED (REGISTERED NUMBER: 00174692)**

**STATEMENT OF FINANCIAL POSITION**  
**30 November 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Intangible assets	8		28,380		60,589
Tangible assets	9		2,272,388		2,300,562
Investments	10		<u>1</u>		<u>1</u>
			2,300,769		2,361,152
<b>CURRENT ASSETS</b>					
Stocks	11	218,478		144,507	
Debtors	12	1,083,561		1,424,231	
Cash at bank and in hand		<u>82,989</u>		<u>40,050</u>	
		1,385,028		1,608,788	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>9,353,339</u>		<u>8,869,699</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(7,968,311)</u>		<u>(7,260,911)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(5,667,542)		(4,899,759)
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		<u>2,004,680</u>		<u>980,000</u>
<b>NET LIABILITIES</b>			<u>(7,672,222)</u>		<u>(5,879,759)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		128,000		128,000
Revaluation reserve	18		1,363,618		1,363,618
Retained earnings	18		<u>(9,163,840)</u>		<u>(7,371,377)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(7,672,222)</u>		<u>(5,879,759)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 November 2022 and were signed on its behalf by:

D J Moore - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
for the Year Ended 30 November 2021

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 December 2019</b>	128,000	(6,910,878)	1,363,618	(5,419,260)
<b>Changes in equity</b>				
Total comprehensive income	-	(460,499)	-	(460,499)
<b>Balance at 30 November 2020</b>	<u>128,000</u>	<u>(7,371,377)</u>	<u>1,363,618</u>	<u>(5,879,759)</u>
<b>Changes in equity</b>				
Total comprehensive income	-	(1,792,463)	-	(1,792,463)
<b>Balance at 30 November 2021</b>	<u>128,000</u>	<u>(9,163,840)</u>	<u>1,363,618</u>	<u>(7,672,222)</u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS  
for the Year Ended 30 November 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,343,714)	(821,598)
Interest paid		<u>(34,654)</u>	<u>(17,904)</u>
Net cash from operating activities		<u>(1,378,368)</u>	<u>(839,502)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(37,450)
Purchase of tangible fixed assets		(22,281)	(57,277)
Sale of intangible fixed assets		-	60,000
Sale of tangible fixed assets		<u>-</u>	<u>2,589</u>
Net cash from investing activities		<u>(22,281)</u>	<u>(32,138)</u>
<b>Cash flows from financing activities</b>			
New loans in year		1,024,681	980,000
Amounts received from parent company		283,104	3,070,000
Amounts repaid to parent company		(218,463)	(2,729,732)
Amounts repaid by related undertakings		15,531	94,444
Amounts paid to related undertakings		<u>(56,158)</u>	<u>(40,000)</u>
Net cash from financing activities		<u>1,048,695</u>	<u>1,374,712</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(351,954)</u>	<u>503,072</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(127,621)	(630,693)
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(479,575)</u></u>	<u><u>(127,621)</u></u>

The notes form part of these financial statements



**NOTES TO THE STATEMENT OF CASH FLOWS  
for the Year Ended 30 November 2021**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021	2020
	£	£
Loss before taxation	(1,792,463)	(460,499)
Depreciation charges	50,455	81,616
Profit on disposal of fixed assets	-	(2,589)
Amortisation of intangible fixed assets	32,209	31,694
Loss/(profit) on intangible asset sales	-	(60,000)
Finance costs	<u>34,654</u>	<u>17,904</u>
	(1,675,145)	(391,874)
(Increase)/decrease in stocks	(73,971)	95,330
Decrease/(increase) in trade and other debtors	381,297	(725,933)
Increase in trade and other creditors	<u>24,105</u>	<u>200,879</u>
<b>Cash generated from operations</b>	<u><u>(1,343,714)</u></u>	<u><u>(821,598)</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 30 November 2021**

	30/11/21	1/12/20
	£	£
Cash and cash equivalents	82,989	40,050
Bank overdrafts	<u>(562,564)</u>	<u>(167,671)</u>
	<u><u>(479,575)</u></u>	<u><u>(127,621)</u></u>

**Year ended 30 November 2020**

	30/11/20	1/12/19
	£	£
Cash and cash equivalents	40,050	123,478
Bank overdrafts	<u>(167,671)</u>	<u>(754,171)</u>
	<u><u>(127,621)</u></u>	<u><u>(630,693)</u></u>

NOTES TO THE STATEMENT OF CASH FLOWS  
for the Year Ended 30 November 2021

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/12/20 £	Cash flow £	At 30/11/21 £
<b>Net cash</b>			
Cash at bank and in hand	40,050	42,939	82,989
Bank overdrafts	<u>(167,671)</u>	<u>(394,893)</u>	<u>(562,564)</u>
	<u>(127,621)</u>	<u>(351,954)</u>	<u>(479,575)</u>
<b>Debt</b>			
Debts falling due after 1 year	<u>(980,000)</u>	<u>(1,024,680)</u>	<u>(2,004,680)</u>
	<u>(980,000)</u>	<u>(1,024,680)</u>	<u>(2,004,680)</u>
<b>Total</b>	<u>(1,107,621)</u>	<u>(1,376,634)</u>	<u>(2,484,255)</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 30 November 2021

1. **STATUTORY INFORMATION**

Wigan Rugby League Club Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company has reported an operating loss for the year of £1,758k and has net liabilities of £7,672k.

The company remains reliant upon the continued financial support of its parent company, Lenagan Investments Limited, which has provided loan monies, amounting to £6,250k, included within current liabilities. However, whilst these loans are technically repayable on demand, written assurances have been given that these monies will not become repayable within the foreseeable future.

The company has utilised the loan funding made available to professional Rugby League by the UK Government Department for Culture, Media and Sport in response to the Covid-19 pandemic. The company has taken loans of £1,024,681 in June 2021 to maintain cash flow. The terms of the loan are favourable, with repayments not to commence until 2023. The Board are confident that the repayment terms and interest payments will be able to be managed in the future without a material impact on the resources of the Rugby League team.

The following decisions and actions have been taken by the directors to manage the working capital requirements of the company:

Profit and loss and cashflow forecasts have been prepared for 2021/22 and 2022/23, which indicate that, whilst operating losses may continue, working capital requirements will be met by additional loan financing from the shareholders of the parent company, Lenagan Investments Limited.

On this basis, the directors believe the company has adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to prepare the financial statements on the going concern basis.

The financial statements include the results of the company's principal activity described in the Report of the Directors, which is continuing.

**Turnover**

Turnover represents income receivable from the company's principal activity of operating a professional rugby league club and is net of Value Added Tax. Match day revenue is recognised over the period of the rugby league season as games are played. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the rugby league season whilst facility fees for live coverage or highlights are recognised as games are played.

**Player registrations**

Transfer fees for player registrations are capitalised as intangible fixed assets and are amortised on a straight line basis over the period of the respective players' contracts.

Transfer fees receivable are included in profit or loss in the period to which they relate.

Player registrations are assessed on an annual basis and impairment losses arising are charged to profit or loss in the period in which they arise. Any surpluses arising are not accounted for.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021

2. ACCOUNTING POLICIES - continued

**Intangible assets**

Intangible assets comprising trademarks are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Trademarks are being amortised evenly over their estimated useful life of 10 years.

**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation less depreciation and impairment. Depreciation of tangible fixed assets has been calculated so as to write off the cost or revalued amount less estimated residual value of each asset over its estimated useful life as follows:

Freehold property	- 2% per annum on straight line basis
Long leasehold property	- 2% per annum on straight line basis
Improvements to leasehold property	- 4% - 20% per annum on straight line basis
Fixtures and fittings	- 20% per annum on straight line basis
Computer equipment	- 33% per annum on straight line basis

**Depreciation on freehold property**

It is the company's policy to provide depreciation on freehold property on a straight line basis of 2%. However the directors consider the life of this asset and its residual value is such that depreciation in the current year would be immaterial, and hence no depreciation has been charged.

**Impairment of tangible fixed assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the profit or loss.

**Government income**

The company has claimed grant monies from HMRC as part of the Government Job Retention Scheme. This is recognised in the period to which it relates.

**Stocks**

Stocks are measured at the lower of cost and selling price. Cost is measured at the most recent purchase price and other costs incurred in bringing the stocks to their present location and condition.

**Taxation**

Taxation for the year comprises current and deferred tax. 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 equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021

2. ACCOUNTING POLICIES - continued

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Leases**

Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the lease term. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Employee benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Short term employee benefits are recognised as an expense in the period in which they are incurred.

**Financial instruments**

Short term financial assets, including trade debtors are measured at transaction price less any impairment.

Short term financial liabilities, including trade creditors, are measured at transaction price. Group loans and associated undertaking loans (being repayable on demand) are measured at the undiscounted amount due.

Financial assets and liabilities payable after one year are initially measured at fair value and are measured subsequently at amortised cost using the effective interest rate method.

**Fixed asset investments**

Fixed asset investments are stated at cost less impairment.

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the financial statements where these judgements and estimates have been made include:

**(a) Valuation of freehold property**

The carrying amount of the company's assets are reviewed annually to determine whether there is any indication of impairment. During the course of this review the Directors have concluded that the carrying value of the company's freehold property has not been impaired.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021**

**4. EMPLOYEES AND DIRECTORS**

	2021 £	2020 £
Wages and salaries	4,187,505	4,034,754
Social security costs	395,280	338,184
Pension costs	52,885	64,203
	<u>4,635,670</u>	<u>4,437,141</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Playing and coaching staff	71	75
Administration	27	38
	<u>98</u>	<u>113</u>

	2021 £	2020 £
Directors' remuneration	105,549	111,060
Directors' pension contributions to money purchase schemes	<u>3,819</u>	<u>3,814</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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In addition, Dr Chris Brookes, a Director, invoiced for his services as Club doctor.

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021 £	2020 £
Bank interest	14,056	16,150
Loan interest	19,613	1,726
Other interest	985	28
	<u>34,654</u>	<u>17,904</u>

**6. LOSS BEFORE TAXATION**

The loss before tax is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	51,072	81,719
Profit on player transfers	-	(60,000)
Profit on disposal of tangible fixed assets	-	(2,589)
Player registration fees amortisation	31,592	31,591
Auditor's remuneration - audit fees	11,250	10,000
Loan fees received	<u>(58,519)</u>	<u>(64,726)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021

7. TAXATION

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 30 November 2021 nor for the year ended 30 November 2020.

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Loss before tax	(1,792,463)	(460,499)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(340,568)	(87,495)
Effects of:		
Expenses not deductible for tax purposes	2,589	10,051
Income not taxable for tax purposes	(23,281)	(137,273)
Other permanent differences	-	4
Chargeable gains/(losses)	-	126,157
Fixed asset differences	(1,116)	-
Remeasurement of deferred tax for changes in tax rates	(1,009,776)	(288,325)
Deferred tax not recognised	1,372,152	376,881
Total tax charge	-	-

A deferred tax asset of £4,207,399 (2020 - £2,835,247) has not been provided within the financial statements, due to the uncertainty of when or if the asset will crystallise.

8. INTANGIBLE FIXED ASSETS

	Player registration fees £	Trade marks £	Totals £
<b>COST</b>			
At 1 December 2020	132,308	6,175	138,483
Disposals	(51,033)	-	(51,033)
At 30 November 2021	81,275	6,175	87,450
<b>AMORTISATION</b>			
At 1 December 2020	77,791	103	77,894
Amortisation for year	31,592	617	32,209
Eliminated on disposal	(51,033)	-	(51,033)
At 30 November 2021	58,350	720	59,070
<b>NET BOOK VALUE</b>			
At 30 November 2021	22,925	5,455	28,380
At 30 November 2020	54,517	6,072	60,589

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 30 November 2021**

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to leasehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 December 2020	2,200,000	6,580	369,956	237,448	2,813,984
Additions	-	-	10,705	11,576	22,281
Disposals	-	-	(76,446)	(181,631)	(258,077)
At 30 November 2021	<u>2,200,000</u>	<u>6,580</u>	<u>304,215</u>	<u>67,393</u>	<u>2,578,188</u>
<b>DEPRECIATION</b>					
At 1 December 2020	-	5,288	282,514	225,620	513,422
Charge for year	-	1,232	41,422	7,801	50,455
Eliminated on disposal	-	-	(76,446)	(181,631)	(258,077)
At 30 November 2021	<u>-</u>	<u>6,520</u>	<u>247,490</u>	<u>51,790</u>	<u>305,800</u>
<b>NET BOOK VALUE</b>					
At 30 November 2021	<u>2,200,000</u>	<u>60</u>	<u>56,725</u>	<u>15,603</u>	<u>2,272,388</u>
At 30 November 2020	<u>2,200,000</u>	<u>1,292</u>	<u>87,442</u>	<u>11,828</u>	<u>2,300,562</u>

Cost or valuation at 30 November 2021 is represented by:

	Freehold property £	Improvements to leasehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2010	505,671	-	-	-	505,671
Valuation in 2011	300,000	-	-	-	300,000
Valuation in 2016	2,100,000	-	-	-	2,100,000
Valuation in 2018	(1,400,000)	-	-	-	(1,400,000)
Cost	<u>694,329</u>	<u>6,580</u>	<u>304,215</u>	<u>67,393</u>	<u>1,072,517</u>
	<u>2,200,000</u>	<u>6,580</u>	<u>304,215</u>	<u>67,393</u>	<u>2,578,188</u>

If freehold property had not been revalued it would have been included at the following historical cost:

	2021 £	2020 £
Cost	<u>694,329</u>	<u>694,329</u>
Aggregate depreciation	<u>233,110</u>	<u>219,223</u>
Value of land in freehold land and buildings	<u>488,993</u>	<u>488,993</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021**

**9. TANGIBLE FIXED ASSETS - continued**

Freehold property, being the training facilities at Edge Hall Road, Orrell, was valued on an open market basis on 30 September 2016 by Parkinson Property Consultants Ltd at £3.6million, although there are certain caveats and restrictions which may affect the valuation, should any sale occur.

The Directors consider the estimated fair market value of £2.2 million as reasonable, as at 30 November 2021, taking into account current economic factors and market conditions.

**10. FIXED ASSET INVESTMENTS**

	Participating interests £
<b>COST</b>	
At 1 December 2020	
and 30 November 2021	<u>1</u>
<b>NET BOOK VALUE</b>	
At 30 November 2021	<u>1</u>
At 30 November 2020	<u>1</u>

The company holds 1 £1 ordinary share in Super League (Europe) Limited which represents 8.3% of the issued share capital. The financial statements of Super League (Europe) Ltd disclose that its activities are to act as agents of each participating club in the promotion of Rugby League. The company receives a distribution each year from Super League (Europe) Limited based on the results of that company for the year, and that income is included within turnover.

**11. STOCKS**

	2021 £	2020 £
Goods for resale	<u>218,478</u>	<u>144,507</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	677,475	709,084
Other debtors	251,868	132,959
Accrued income	7,483	480,392
Prepayments	146,735	101,796
	<u>1,083,561</u>	<u>1,424,231</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans and overdrafts (see note 15)	562,564	167,671
Trade creditors	625,838	639,887
Social security and other taxes	622,010	498,042
Other creditors	103,478	108,227
Amounts owed to group undertakings	6,250,192	6,185,551
Deferred income	1,072,575	745,885
Accrued expenses	116,682	524,436
	<u>9,353,339</u>	<u>8,869,699</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021

14. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Other loans (see note 15)	<u>2,004,680</u>	<u>980,000</u>

15. **LOANS**

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>562,564</u>	<u>167,671</u>
Amounts falling due between one and two years:		
Other loans	<u>116,123</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans	<u>721,642</u>	<u>289,596</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans	<u>1,166,915</u>	<u>690,404</u>

16. **SECURED DEBTS**

The following secured debts are included within creditors:

	2021 £	2020 £
Bank overdrafts	562,564	167,671
Amounts owed to parent company	<u>6,250,192</u>	<u>6,185,551</u>
	<u>6,812,756</u>	<u>6,353,222</u>

Banking facilities are reviewed periodically and repayable on demand, subject to such reviews. Barclays Bank PLC has a fixed and floating charge over the assets of the company. Mr I F Lenagan, a Director of the Company, has provided personal guarantees to the Bank on behalf of the company.

The loan from the parent company is secured by a debenture, has no fixed repayment date and any interest accruing for the period has been waived.

17. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
128,000	Ordinary	£1	<u>128,000</u>	<u>128,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 November 2021**

**18. RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 December 2020	(7,371,377)	1,363,618	(6,007,759)
Deficit for the year	<u>(1,792,463)</u>	<u>-</u>	<u>(1,792,463)</u>
At 30 November 2021	<u>(9,163,840)</u>	<u>1,363,618</u>	<u>(7,800,222)</u>

Retained earnings includes all current and prior retained profits and losses.

The revaluation reserve relates to the freehold property.

**19. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme in respect of certain staff members. The scheme is managed by independent fund managers and its assets/liabilities are held separately from that of the company.

The pension charge represents the amount paid by the company and amounted to £52,885 (2020 - £64,203).

**20. ULTIMATE PARENT COMPANY**

The company is an 89% owned subsidiary of Lenagan Investments Limited, a company under the control of Mr I F Lenagan and his immediate family.

**21. RELATED PARTY DISCLOSURES**

**Loans from group undertakings**

During the year the company had loan transactions with Lenagan Investments Limited as follows: loans received of £283,104 (2020 - £3,070,000) and repaid of £218,463 (2020 - £2,681,272). The company also recharged certain expenses totalling £Nil (2020 - £48,460). At 30 November 2021 an amount of £6,250,192 (2020 - £6,185,551) was owed to Lenagan Investments Limited..

**Loans to/(from) associated undertakings**

During the year the company had loan transactions with associated companies as follows: loans paid of £56,158 (2020 - £40,000) and repaid of £15,531 (2020 - £94,444). At 30 November 2021 there is an amount of £168,505 (2020 - £127,878) owed by associated undertakings.

**Transactions with associated undertakings**

During the year the company has recharged wages and certain expenses totalling £266,990 (2020 - £167,433) and have paid rent and associated costs totalling £190,309 (2020 - £286,505) to associated undertakings. At 30 November 2021 an amount of £133,800 (2020 - £220,684) was owed to the company.

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