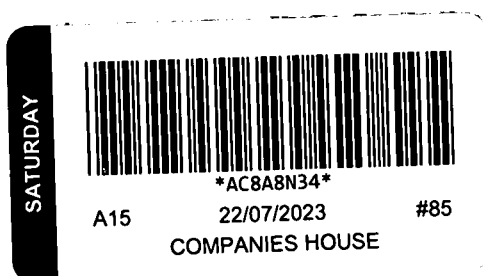


Company Registration No. 00331905 (England and Wales)

ST HELENS RUGBY FOOTBALL CLUB LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2022



ST HELENS RUGBY FOOTBALL CLUB LIMITED

COMPANY INFORMATION

Directors	E McManus J A G Hartley J Nicholl K J Marren R K McCormack M Coleman D Coleman
Secretary	C R Whitehead
Company number	00331905
Registered office	St Helens RFC Stadium McManus Drive St Helens Merseyside WA9 3AL
Auditor	RSM UK Audit LLP Chartered Accountants 14th Floor 20 Chapel Street Liverpool L3 9AG

ST HELENS RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present the strategic report for the year ended 31 October 2022.

Review of the business

The results for the year and financial position of the company are as shown in the annexed financial statements.

Strategic objectives

To continue as one of the world's leading professional rugby league clubs and also to maximise non-rugby related revenue streams available to the club as a result of its ownership of its, wholly-owned, stadium facility.

Business performance, risks and objectives

St Helens had another successful year in Super League winning the League Leaders Shield and The Grand Final. This is a record breaking fourth consecutive year that the club has won the Grand Final. Post year end the club won the World Club Challenge in Australia which was the greatest achievement in the history of the club. St Helens women's team also won the Challenge Cup for the second season in a row and finished second in the league.

Away from rugby field the NHS vaccination programme moved out of the stadium in June 2022 and the first ever music concert was held in July 2022 which was well received by the public and the council.

Retail continues to perform well with hospitality and events slowly starting to return to pre-pandemic levels.

Total revenues rose 34% from £6,944,706 in 2021 to £9,275,489 in 2022. Operating losses reduced from £1,650,086 to £1,218,292 in 2022. These improvements are directly linked to COVID19 restrictions being fully removed for the year 2022.

Earnings before interest, taxation, depreciation and amortisation improved from a loss of £806,351 in 2021 to a loss of £375,299 in 2022.

At 31 October 2022 the company had net current liabilities of £19,071,623 (2021: £18,232,935).

Principal risks and uncertainties

The principal risk of the company is an adverse performance on the pitch, and its subsequent effect on income streams. The company believe that they have in place the appropriate facilities and staff to ensure that the team continues to challenge in all competitions.

Energy prices are a major concern as there is no way to pass on these increased costs without impacting attendances for both match and non match day activity.

Support funding received from the Department of Culture, Media and Sport (DCMS) for the sport of rugby league in 2020 starts to be repaid including the interest as from July 2023.

Key performance indicators

The key performance indicators are operating profit/(loss) and the net assets figure. These indicators are disclosed in the financial statements on pages 9 and 10 respectively.

Key business areas

The long term TV deals with Sky and BBC have underpinned the financial performance of Super League and its clubs. Rugby League and Super League announced in May 2022 that they have agreed a 12 year strategic deal with global management company IMG to help reimagine rugby league which should create opportunities for St Helens.

Future developments

Team performance in 2023 has been inconsistent with the team currently placed in the playoff spots and also in the semi finals of the Challenge Cup.

The focus of the group in the short term is to maximise revenue and review costs.

The brand of the rugby club, together with the quality and facilities of the stadium mean it is well placed to perform well financially in the long term.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Statement by the directors in performance of their statutory duties in accordance with section 172 of the Companies Act 2006

The mission of St Helens RFC is to be a successful rugby league club regularly competing in, and winning, the competitions in which they participate. The directors have a duty to promote the success of the company for the benefit of its employees and key stakeholders.

Stakeholders

The directors actively engage with stakeholders of the company to create positive relationships. Our key stakeholders include our employees who are at the centre of our business working to achieve our aims. Members and supporters in the wider St Helens community are key to the company and ensuring they receive a positive experience whenever they visit the stadium is key to the business.

Customers

A main focus of St Helens RFC is to achieve excellent customer service. Some of our customers are also sponsors with whom we have developed long standing relationships, built on openness and quality of service. The directors and employees continue to promote these relationships with a view to ensuring the long term success of the business.

Suppliers

We work closely with our suppliers many of whom are based within the St Helens community. The directors believe it is important to create positive relationships with local businesses where possible as many employees of such businesses are also supporters.

St Helens Community

The directors recognise that the company is at the centre of the St Helens community and consideration is given to the effect on the community and the environment of prospective decisions before they are taken. The company is one of the largest employers in the area and the directors recognize their responsibility to the town.

Decision Making

Key decisions are presented to the Board at executive meetings by the management team. Directors are briefed on any possible risks to the business or any of its stakeholders and how they are to be managed. The Directors take these factors into account before making a final decision which they believe to be in the best interests of the company.

Sustainability

The directors and senior management focus on the long term sustainability of the company when making business decisions in order to ensure stable returns. The Board annually reviews and approves a three year strategic plan and performance against this is reviewed in the year. The potential impact and risks to individual stakeholders of the plan are highlighted to the Board. This is to ensure that the company is conducting all business relationships with integrity.

On behalf of the board



.....
E Manus
Director

Date: 20/07/23
.....

ST HELENS RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present their report and financial statements for the year ended 31 October 2022.

Principal activities

The principal activity of the company continued to be that of a professional rugby league club and hospitality venue.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

E McManus
J A G Hartley
J Nicholl
K J Marren
R K McCormack
M Coleman
D Coleman

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company encourages the involvement of its employees in its management through regular meetings for the dissemination of information of particular concern to employees, including the financial and economic factors affecting the performance of the company and for receiving their views on important matters of policy.

The club management team meet monthly and holds meetings with staff both pre and post all games to ensure good communication is maintained. Key messages and policy communications are conducted via team briefings and the club undertakes a staff appraisal system to create an environment where two-way communication is encouraged and good working practices are communicated and reviewed with employees and their managers.

Business relationships

In accordance with section 172 of the Companies Act, the company has a requirement to report on a need to foster the company's business relationships with suppliers, customers and others. The relationships are considered in the decision making of the company, the details of which are included in the strategic report.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon reporting

Reporting under the SECR guidelines is included with the consolidated financial statements of Sporting Club St Helens Limited.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

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.

Matters of strategic importance

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the companies strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

On behalf of the board



.....
E Manus
Director

Date: 20/07/23
.....

ST HELENS RUGBY FOOTBALL CLUB LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2022

The directors are responsible for preparing the Strategic Report and 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST HELENS RUGBY FOOTBALL CLUB LIMITED

Opinion

We have audited the financial statements of St Helens Rugby Football Club Limited (the 'company') for the year ended 31 October 2022 which comprise the statement of comprehensive income, the balance sheet, 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 31 October 2022 and of its loss for the year 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 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 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST HELENS RUGBY FOOTBALL CLUB 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 strategic report or the directors' report.

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 directors' responsibilities statement set out on page 5, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST HELENS RUGBY FOOTBALL CLUB LIMITED (CONTINUED)

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 framework that the company operates in and how the company is complying with the legal and regulatory framework;
- 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.

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, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances with FRS 102 and the Companies Act which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from tax advisors.

The most significant regulation that has an indirect impact on the financial statements is the Salary Cap. We performed audit procedures to inquire of management and those charged with governance to confirm that submissions were made and there were no breaches of the Cap.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, consideration of management bias in relation to key estimates and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. We tested a sample of revenue transactions recorded in the year and either side of the year end to determine whether revenue had been recorded correctly and in the correct period, as well as analytical review procedures, and procedures to confirm revenue was complete.

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.

Ian Taylor

Ian Taylor (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

14th Floor

20 Chapel Street

Liverpool

L3 9AG

20/07/23

ST HELENS RUGBY FOOTBALL CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2022

	Notes	2022 £	2021 £
Turnover	3	9,275,489	6,944,706
Administrative expenses		(10,493,781)	(9,026,116)
Other operating income		-	431,324
Operating loss	5	(1,218,292)	(1,650,086)
Interest payable and similar expenses	7	(45,357)	(35,269)
Loss before taxation		(1,263,649)	(1,685,355)
Tax on loss	8	(115,365)	(3,437)
Loss for the financial year		(1,379,014)	(1,688,792)
Other comprehensive income			
Revaluation of tangible fixed assets		3,220,250	-
Tax relating to other comprehensive income		(679,109)	(1,615,511)
Total comprehensive income for the year		<u>1,162,127</u>	<u>(3,304,303)</u>

ST HELENS RUGBY FOOTBALL CLUB LIMITED**BALANCE SHEET****AS AT 31 OCTOBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9	31,958,877		29,487,280	
Investments	10		2		2
		31,958,879		29,487,282	
Current assets					
Stocks	11	92,267		81,159	
Debtors	12	1,055,725		1,330,869	
Cash at bank and in hand		731,941		1,145,079	
		1,879,933		2,557,107	
Creditors: amounts falling due within one year	13	(20,951,556)		(20,790,042)	
Net current liabilities		(19,071,623)		(18,232,935)	
Total assets less current liabilities		12,887,256		11,254,347	
Creditors: amounts falling due after more than one year	14	(2,478,107)		(2,686,481)	
Provisions for liabilities	16	(7,410,404)		(6,731,248)	
Net assets		2,998,745		1,836,618	
Capital and reserves					
Called up share capital	19	7,000		7,000	
Revaluation reserve	20	16,664,277		14,615,476	
Profit and loss reserves	20	(13,672,532)		(12,785,858)	
Total equity		2,998,745		1,836,618	

The financial statements were approved by the board of directors and authorised for issue on 20/07/23 and are signed on its behalf by:



E McManus
Director

ST HELENS RUGBY FOOTBALL CLUB LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2022

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 November 2020	7,000	16,883,017	(11,749,096)	5,140,921
Year ended 31 October 2021:				
Loss for the year	-	-	(1,688,792)	(1,688,792)
Other comprehensive income:				
Tax relating to stadium revaluation	-	(1,615,511)	-	(1,615,511)
Total comprehensive income for the year	-	(1,615,511)	(1,688,792)	(3,304,303)
Transfers	-	(652,030)	652,030	-
Balance at 31 October 2021	7,000	14,615,476	(12,785,858)	1,836,618
Year ended 31 October 2022:				
Loss for the year	-	-	(1,379,014)	(1,379,014)
Other comprehensive income:				
Revaluation of tangible fixed assets	-	3,220,250	-	3,220,250
Tax relating to stadium revaluation	-	(679,109)	-	(679,109)
Total comprehensive income for the year	-	2,541,141	(1,379,014)	1,162,127
Transfers	-	(492,340)	492,340	-
Balance at 31 October 2022	7,000	16,664,277	(13,672,532)	2,998,745

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

Company information

St Helens Rugby Football Club Limited is a private company limited by shares and is registered, domiciled and incorporated in England and Wales. The registered office is St Helens RFC Stadium, McManus Drive, St Helens, Merseyside, WA9 3AL.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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, modified to include the revaluation of long leasehold land and buildings at fair value. The principal accounting policies adopted are set out below.

Reduced disclosure exemptions

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Sporting Club St Helens Limited. These consolidated financial statements are available from its registered office, St Helens RFC Stadium, McManus Drive, St Helens, Merseyside WA9 3AL.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies (Continued)

Going concern

Due to the impact of Covid-19 on Rugby League the company previously received £2.6m of loans provided by government as specific support to the sport of rugby league. These loans attract interest from May 2021 and interest and loan repayments commence in July 2023 over an eight year period.

The stadium was used as a vaccination centre until June 2022 and since it has ceased has had additional space to arrange events and functions.

Supporters have returned to pre Covid levels.

The hospitality sector has returned and it is forecast that this will continue to improve.

The company has modelled the scenario that fans will remain, hospitality will continue to return and that loans will be repaid in line with the above terms but have also sensitised the forecasts to consider severe but plausible downside scenarios in which the level of income falls.

The immediate parent, Sporting Club St Helens Limited has confirmed it will provide financial support for at least 12 months from the approval of the financial statements and have agreed not to call in debts for the same period.

The ultimate parent, Crowther Street Holdings Limited has confirmed it will provide financial support to the company for a period of at least 12 months from the date of signing these financial statements. The directors have satisfied themselves that Crowther Street Holdings Limited are able to provide any support needed, including that required in the downside scenarios mentioned above, as a result of support it has from its main shareholder.

As a result, the Directors believe it is appropriate to continue to prepare the accounts using the going concern assumption.

Turnover

Prize money is dependent on where the club has finished in the major competitions and the league. It is accounted for in the season to which it relates.

Gate receipts relate to the proceeds taken at the turnstiles for each game and the season ticket sales for the season. Any prepaid season ticket sales are included within deferred income. Future credits against season tickets are recognised as deferred income.

Sale of players relates to players sold which were under contract to the club. The income is accounted for when the sale contract is agreed.

Television fees relate to the payments for television coverage from SKY and the BBC. It is accounted for on an accruals basis.

Sponsorship, advertising and hospitality is accounted for in the season to which it relates. Any prepaid sales are included within deferred income.

Merchandising relates to shop sales and is accounted for on a receipts basis.

Lottery donations are accounted for on a receipts basis.

All of the above items exclude value added tax and are recorded at the fair value of the consideration receivable.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies (Continued)

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:

Long leasehold land and buildings	2% straight line
Plant and machinery	at 10% on reducing balance
Computer equipment	at 20% and 33% on reducing balance

The stadium is subject to a formal valuation every 3 years. In the intervening years, the directors consider if there has been a material change to the valuation and if so, would carry out a directors valuation. The useful life of the stadium is deemed to be 50 years. Upon revaluation the revalued amount is depreciated over the remaining useful economic life. At the year end, this was 38 years.

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.

Fixed asset investments

Interests in unlisted investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises goods for resale.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, other borrowings and loans from fellow group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar expenses.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as other creditors.

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 except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

2 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.

The 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.

In the opinion of the directors there are no material judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:-

Valuation of land and buildings

The main estimates applied in preparing these financial statements concern the carrying value of the company's leasehold land and buildings. The basis on which this has been reflected in these financial statements is set out in note 9.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 £	2021 £
Turnover analysed by class of business		
Rugby and Football related income	6,957,950	5,524,713
Catering and hospitality	2,317,539	1,419,993
	<u>9,275,489</u>	<u>6,944,706</u>
	2022 £	2021 £
Other revenue		
Grants received - furlough income	-	373,324
Grants received - local council Covid 19 grant	-	58,000
	<u>-</u>	<u>431,324</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	<u>9,275,489</u>	<u>6,944,706</u>

Income from the NHS vaccination centre is included within catering and hospitality. This income continued until June 2022 when the contract was finished.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

4 Employees

The average monthly number of persons employed by the company during the year was:

	2022 Number	2021 Number
Playing and coaching staff	76	70
General staff	77	66
Catering and stewards	361	379
	<u>514</u>	<u>515</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	5,071,327	4,937,324
Social security costs	519,183	477,882
Pension costs	54,832	49,185
	<u>5,645,342</u>	<u>5,464,391</u>

Directors of the company are not remunerated, hence no disclosure of director's remuneration.

5 Operating loss

	2022 £	2021 £
Operating loss for the year is stated after charging/(crediting):		
Government grants	-	(431,324)
Depreciation of owned tangible fixed assets	842,993	843,735
Operating lease charges	209,021	36,564
	<u></u>	<u></u>

6 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	33,400	29,500
	<u></u>	<u></u>
For other services		
Taxation compliance services	3,000	3,200
All other non-audit services	6,800	7,000
	<u>9,800</u>	<u>10,200</u>

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

7 Interest payable and similar expenses

	2022	2021
	£	£
Other interest on financial liabilities	41,910	23,033
Other interest	3,447	12,236
	<u>45,357</u>	<u>35,269</u>

8 Taxation

	2022	2021
	£	£
Current tax		
Adjustments in respect of prior periods	115,318	-
	<u>115,318</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	4,537
Changes in tax rates	-	(1,099)
Adjustment in respect of prior periods	47	(1)
	<u>47</u>	<u>(1)</u>
Total deferred tax	47	3,437
	<u>47</u>	<u>3,437</u>
Total tax charge	115,365	3,437
	<u>115,365</u>	<u>3,437</u>

The total tax charge for the year included in the profit and loss account can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022	2021
	£	£
Loss before taxation	(1,263,649)	(1,685,355)
	<u>(1,263,649)</u>	<u>(1,685,355)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(240,093)	(320,217)
Tax effect of expenses that are not deductible in determining taxable profit	665	2,293
Unutilised tax losses carried forward	103,237	1,065,405
Adjustments in respect of prior years	115,318	(1)
Effect of change in corporation tax rate	-	732,004
Other permanent differences	567	-
Deferred tax adjustments in respect of prior years	47	-
Fixed asset timing differences	135,624	139,464
Tax recognised directly in Equity	-	(1,615,511)
	<u>115,365</u>	<u>3,437</u>
Taxation charge for the year	115,365	3,437
	<u>115,365</u>	<u>3,437</u>

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

8 Taxation (Continued)

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £	2021 £
Deferred tax arising on:		
Revaluation of property	679,109	1,615,511

Corporation tax is calculated at 19% (2021 - 19.00%) of the estimated assessable profit for the year. The Finance Act 2021 which was substantively enacted on 24 May 2021 created a 25% main rate, 19% small profits rate and a marginal rate which is effective from 1 April 2023. Deferred tax balances at the year-end have been measured at 25% (2021 - 25%) which is the rate that the deferred tax liabilities are expected to crystallise.

The company has a deferred tax asset of £3,766,703 (2021 - £3,702,961) arising from trading losses available for relief against future profits, which has not been provided for in the balance sheet as it is not expected to be recoverable within the foreseeable future.

9 Tangible fixed assets

	Long leasehold land and buildings £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 November 2021	29,275,000	1,991,941	483,012	31,749,953
Additions	-	63,776	30,564	94,340
Revaluation	1,756,500	-	-	1,756,500
At 31 October 2022	31,031,500	2,055,717	513,576	33,600,793
Depreciation and impairment				
At 1 November 2021	731,875	1,078,330	452,468	2,262,673
Depreciation charged in the year	731,875	97,727	13,391	842,993
Revaluation	(1,463,750)	-	-	(1,463,750)
At 31 October 2022	-	1,176,057	465,859	1,641,916
Carrying amount				
At 31 October 2022	31,031,500	879,660	47,717	31,958,877
At 31 October 2021	28,543,125	913,611	30,544	29,487,280

The leasehold land and buildings were valued at 31 October 2020 to a value of £29,275,000 based on a depreciated replacement cost by Charterfields, a firm of independent Chartered Surveyors, in accordance with the Royal Institution of Chartered Surveyors. Charterfields are not connected with the group. The directors have considered the valuation at 31 October 2022 and a desktop valuation of the stadium was performed in light of current inflation levels, resulting in an increase in value of 6% on the previous valuation.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

9 Tangible fixed assets (Continued)

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2022 £	2021 £
Cost	7,984,483	7,984,483
Accumulated depreciation	(1,030,902)	(791,367)
Carrying value	<u>6,953,581</u>	<u>7,193,116</u>

10 Fixed asset investments

	2022 £	2021 £
Unlisted investments	<u>2</u>	<u>2</u>

This investment represents the company's share in Super League (Europe) Limited.

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 November 2021 & 31 October 2022	<u>2</u>
Carrying amount	
At 31 October 2022	<u>2</u>
At 31 October 2021	<u>2</u>

11 Stocks

	2022 £	2021 £
Goods for resale	<u>92,267</u>	<u>81,159</u>

During the year, a reversal of prior period impairment on goods for resale of £3,611 (2021: £Nil) was recognised within administrative expenses.

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	428,802	574,380
Corporation tax recoverable	116,302	231,620
Other debtors	103,661	95,446
Prepayments and accrued income	406,960	429,423
	<u>1,055,725</u>	<u>1,330,869</u>

Post year end the historic R&D claims were settled, resulting in a reduction in the debtor of £231,620. A 2021 claim of £115,540 plus interest was accepted and paid post year end. The year end debtor was therefore amended to reflect these values.

A reversal of prior period impairment of £17,059 (2021: £14,589 impairment loss) was recognised through profit and loss during the year.

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other borrowings	15	167,055	-
Trade creditors		595,591	447,377
Amounts owed to group undertakings		18,739,613	18,715,346
Taxation and social security		329,012	288,536
Deferred income		283,589	397,423
Other creditors		253,168	196,077
Accruals and deferred income		583,528	745,283
		<u>20,951,556</u>	<u>20,790,042</u>

Amounts due to group undertakings are repayable on demand and are not subject to interest.

14 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Other borrowings	15	2,478,107	2,603,252
Deferred income		-	83,229
		<u>2,478,107</u>	<u>2,686,481</u>

Deferred income greater than one year in the prior year related to credits given to season ticket holders against future season tickets as a result of games they were unable to attend in that year.

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

Payable by instalments	<u>1,232,579</u>	<u>1,500,320</u>
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ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

15 Borrowings

	2022 £	2021 £
Other loans	2,645,162	2,603,252
Payable within one year	167,055	-
Payable after one year	2,478,107	2,603,252

Other borrowings are secured by a charge over all the assets and undertakings of St Helens Rugby Football Club Limited. Other borrowings consist of loans from RFL Investments Limited, which are part of a package of government support measures. The loan attracts interest at 2% with an interest payment holiday of two years. The loans are due to be fully repaid by April 2031. Interest and arrangement fees of £67,785 (2021 - £25,775) have been accrued at year end.

16 Provisions for liabilities

	Notes	2022 £	2021 £
Deferred tax liabilities	17	7,410,404	6,731,248

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	144,834	141,708
Tax losses	(140,275)	(141,708)
Revaluations	6,019,480	5,340,370
Rolled over gains	1,390,924	1,390,924
Short-term timing differences	(4,559)	(46)
	7,410,404	6,731,248

	2022 £
Movements in the year:	
Liability at 1 November 2021	6,731,248
Charge to profit or loss	47
Charge to other comprehensive income	679,109
Liability at 31 October 2022	7,410,404

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

17 Deferred taxation (Continued)

The majority of the deferred tax liability set out above in relation to revaluations will be released in line with the excess depreciation charge transferred from the revaluation reserve annually. There is a significant balance relating to rolled over gains, the timing of the crystallisation which is uncertain.

18 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	54,832	49,185

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. At 31 October 2022 pension contributions of £18,236 (2021 - £184) were payable and included in other creditors.

19 Share capital

	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 50p each	14,000	14,000	7,000	7,000

The company has one class of ordinary shares which carry no right to fixed income. Each share is entitled to one vote in any circumstances.

20 Reserves

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit or loss, net of respective deferred tax.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

21 Financial commitments, guarantees and contingent liabilities

The loans in Sporting Club St Helens Limited from Crowther Street Holdings Limited are secured by a debenture over all of the assets and undertakings of Sporting Club St Helens Limited and its subsidiary, St Helens Rugby Football Club Limited. The total liability at 31 October 2022 was £12,146,619 (2021 - £12,128,667).

ST HELENS RUGBY FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	117,178	149,245
Between one and five years	21,097	29,118
	<u>138,275</u>	<u>178,363</u>

23 Ultimate controlling party

M Coleman is considered to be the ultimate controlling party given his majority shareholding in Crowther Street Holdings Limited who have a holding of greater than 50% of the share capital of Sporting Club St Helens Limited.

The ultimate parent company is Crowther Street Holdings Limited who are incorporated in the British Virgin Islands. The smallest and largest group for which consolidated accounts including St Helens Rugby Football Club Limited are prepared is that headed by Sporting Club St Helens Limited. The consolidated accounts of Sporting Club St Helens Limited are available from its registered office, St Helens RFC Stadium, McManus Drive, St Helens, Merseyside WA9 3AL.