

**AFCW PLC**  
**Report and Financial Statements**  
**Year Ended**  
**30 June 2020**  
**Company Number 04764827**

# AFCW PLC

## Company Information

---

<b>Directors</b>	M N Davis I R McNay J B Palmer A Kingsley M A Buckley E J S Leek E J Lonsdale
<b>Company secretary</b>	W D Charles
<b>Registered number</b>	04764827
<b>Registered office</b>	Kingsmeadow Stadium Jack Goodchild Way Kingston upon Thames Surrey KT1 3PB
<b>Independent auditor</b>	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

# AFCW PLC

## Contents

---

	Page
<b>Group Strategic Report</b>	1
<b>Directors' Report</b>	7
<b>Directors' Responsibilities Statement</b>	8
<b>Independent Auditor's Report</b>	9
<b>Consolidated Statement of Comprehensive Income</b>	12
<b>Consolidated Statement of Financial Position</b>	13
<b>Company Statement of Financial Position</b>	14
<b>Consolidated Statement of Changes in Equity</b>	15
<b>Company Statement of Changes in Equity</b>	16
<b>Consolidated Statement of Cash Flows</b>	17
<b>Notes to the Financial Statements</b>	18

# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

The directors present their strategic report and a review of the business for the financial year ended 30 June 2020 ("FY 2019/20").

### **Business review**

#### *On the pitch*

The 2019/20 season was our fourth season in League One and proved to be our most challenging one yet. Following a disappointing sequence of results at the start of the season, which yielded only three points in ten games, we parted company with Wally Downes who had been the First Team Manager since December 2018. In October 2019, Glyn Hodges, a former Wimbledon FC player and our First Team Assistant Manager, was promoted to First Team Manager. Nick Daws, who had been the Head of Recruitment, became Assistant Manager.

The management team of Glyn Hodges and Nick Daws engineered a remarkable turnaround in fortune in the 2019/20 season, using only the existing players at their disposal until January, and we managed to be clear of the relegation zone by 7 March 2020. This was the date of our last game of the 2019/20 season as, due to the COVID-19 pandemic, the league was firstly postponed and then ended on a points per game basis. Although the decision on how to end the season took months to agree, it ultimately meant that the club finished the season in 20<sup>th</sup> position, which was just enough to avoid relegation and fulfil our objective of starting the 2020/21 season in League One. Our final position of 20<sup>th</sup> was one place above our wage spend in relation to the rest of the clubs in the division.

In the cup competitions, we were unable to match the excitement of the 2018/19 season and exited the FA Cup, League Cup and Football League Trophy at the first stage.

#### *Youth development*

Youth development continues to be an important part of the club. While the focus is on development and bringing out the best in our young players, rather than results, it is always rewarding to see them progress in competitions. Over the years we have got used to the Under-18 team doing well in the FA Youth Cup, so it was disappointing to see us go out at home in the first round, losing to Gillingham after taking an early lead.

Desirable as it is to see cup success for the Academy, its overall objective is to develop home-grown players for the first team. The problem with having talented young players is that larger clubs come calling, and we ended up selling two players to clubs in a higher division during the season. Nevertheless, it is encouraging to see the club gain recognition for the hugely impressive work it is doing in developing youngsters, and this is further demonstrated by two of our Academy players being called into England squads for their respective age groups during the season.

Rather than generating income from the transfer of our youngsters to other clubs, we would prefer to see them come through and establish themselves in our own first team. However, with larger clubs willing to pay substantial premiums that will not always be the best option for us. Nonetheless, we finished the 2019/20 season by regularly having former Academy players in the first team squad. We sold Academy graduate Toby Sibbick to Barnsley for £280,000, and 14-year-old Leo Castledine to Chelsea for £162,500. Both these deals include significant additional payment clauses should these two players progress, as is hoped, at their new clubs.

It is fitting that current manager Glyn Hodges came through the youth setup at Wimbledon FC, and it is encouraging that the management team are hugely supportive when it comes to giving young players their chance in the first team. This is important as it demonstrates to prospective players that they will be given first team football if they demonstrate the requisite ability and temperament, and also, from a financial perspective, increases the value of our Academy graduates should they be sold.

# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

### *Ladies*

On the pitch, the Ladies first team has built up a solid grounding and respect in and amongst women's football. Competing in the FA Women's National League Division 1 South East, the first team was positioned second in the table, and aiming for promotion, prior to the season being cancelled, and results expunged, as a result of the COVID-19 pandemic. As with the approach of the men's team, there is a strong focus on progressing young local talent through the age groups and, ultimately, into the first team.

Away from the playing side, the aim of the management team is to continually improve facilities and opportunities that enable the Ladies to replicate a professional environment as close as can realistically be achieved. The Ladies are helped by an army of volunteers – from top to bottom – who support not only the progression of the female section of the club, but the growth of the women's game in general. Off the back of a hugely successful World Cup campaign by the England Ladies team that gained widespread exposure, the Ladies section is at a critical point in its aims to grow support levels amongst the local community.

### *AFC Wimbledon Foundation*

The AFC Wimbledon Foundation is the charitable arm of the club. It is an independent company, as is required by the Charities Commission, so its activities are not reflected in these accounts, but it works closely with the club, which has two former board members, and two current board members, on its Trustee Board.

The move to a new stadium will open up many new opportunities to expand the work and the impact of the Foundation, particularly in Merton and the adjoining boroughs of Wandsworth and Kingston.

### *Stadium developments*

The new stadium is held by The Wider Interests of Football Limited, a subsidiary which is 100% owned by this company. Following the transfer of the land on which the stadium is being built to The Wider Interests of Football Limited on 24 December 2018. Buckingham Group Contracting were appointed, and a contract signed, to build the new stadium in Plough Lane, and the first phase of the build will to see a stadium with a capacity of over 9,000 constructed. Construction started in the first few months of 2019 and is scheduled for completion in December 2020. The bulk of the work has been completed and is reflected as 'assets under construction' within The Wider Interests of Football Limited and in the consolidated group accounts.

The stadium is being funded by a contribution from Merton Catalyst, with whom we made a joint planning application for the site, and the proceeds of the sale of Kingsmeadow, with the balance financed from a mixture of funds raised via equity and debt. An equity crowdfunding campaign on Seedrs attracted nearly £2.3 million of commitments from our fans and other investors and a further bond raise, which primarily attracted our own supporters, raised a staggering amount in excess of £5.3 million. The financial backing from our fans never ceases to surpass expectations and, without their support, the club would not be returning home. A further 10% of the company was sold to Nick Robertson on 29 June 2020 for £2.5 million, and the final tranche of funds required to complete the stadium to the desired standard was secured on 10 July 2020, as a £4.1 million bridging loan, which will require refinancing by April 2022, was agreed with MSP Capital Limited.

### *Sale of our previous stadium*

On 27 May 2016, the company's subsidiary, AFCW Stadium Limited, exchanged contracts with Chelsea Football Club Limited for the sale of The Cherry Red Records Stadium, Kingsmeadow. The sale, which was subject to a number of Conditions Precedent, became final on 24 December 2018.

Although the ownership of our current stadium has now transferred to Chelsea FC, we occupied the stadium, rent free, under the terms of a lease that became effective immediately on completion of the sale. This lease ended on 31 May 2020 when Chelsea FC took over the day-to-day running of the stadium, and we no longer have any presence or involvement at this site.

# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

### *Financial performance*

Once player sales are included, and other income excluded, the underlying result was an operating loss of just over £650,000. This figure includes all the costs related to the new stadium that are unable to be capitalised, such as marketing the Seedrs crowdfunding raise and some legal expenditure. Due to tight cost control and a reduction in the playing budget, it is more than a 50% improvement on the operating loss (before other operating income and profit on the disposal of Kingsmeadow) from the prior year. Expenditure on the new stadium will continue to be incurred in the upcoming financial year, although the majority of the build costs are recognised in this financial year. The ability of the club to run at such a level of loss was part of the conscious decision, as with the 2018/19 season, to supplement the playing budget from the Kingsmeadow sale proceeds, which had contributed to a profit of over £4,000,000 in the prior year.

Additionally, there is a boost to other operating income of nearly £350,000 due to the Governmental support in dealing with the COVID-19 pandemic. The majority of this came about as a result of being able to utilise the Government's job retention scheme. The remaining £13,000,000 of other income relates to the final instalments of Section 106 money received from Merton Catalyst. £16,894,065 was spent on design and build costs associated with the return to Plough Lane in the 2020/21 season. This spend has been capitalised within The Wider Interests of Football Limited.

The turnover for the year was 18.8% lower than in the previous year, largely due to income from the FA Cup run in 2018/19 not being achieved again in the 2019/20 season and, to a lesser degree, the impact COVID-19 had on the end of the football season when four home matches were unable to be played.

Note 7 to the financial statements shows that wage costs were, in total, £1,017,082 lower than in the previous year. The bulk of this is due to a lower football management and players' wage bill, which arose due to tighter cost management and far fewer bonuses in relation to success in cup competitions, as well as management termination costs being over £100,000 lower than in the previous year.

At first sight the Academy is a substantial net cost to the club, but this is before income from transfer fees and the benefit the first team derives from the Academy is taken into account. In the year in question, two Academy prospects were sold, and this accounts for the reported £442,500 profit on disposal of players in its entirety.

### *Financial position*

Turning to the balance sheet, the investment of the Section 106 money in the new stadium has boosted the shareholders' equity to £21,987,571. These funds, alongside the other sources of funding, have enabled the large and sustained spend on the stadium, which is held as assets under construction within tangible fixed assets. This will begin to depreciate once the new stadium has reached practical completion and the company takes full control of the stadium, which is scheduled to occur in December 2020.

Elsewhere in the balance sheet, trade creditors is predominantly made up of building costs associated with the new stadium, with the increase in short term liabilities due to the monthly costs of building the stadium being at a higher level than 12 months ago. The large rise in longer term creditors is reflective of the requirement to pay back the Plough Lane Bond, which has vesting dates of either five, ten or twenty years.

On the assets side, there is a reduction in debtors, as a result of improved cash collection procedures and fewer prepayments for events that will occur in the future. There has been a large rise in the cash balance, which largely demonstrates the impressive work done in raising funds for the new stadium, but also represents a successful season from an operating perspective as the club continued to tighten its control over its costs.

### *Post balance sheet event*

On 10 July 2020, The Wider Interests of Football Limited entered into a £4,100,000 loan arrangement with MSP Capital Limited. The loan is secured against the freehold of the site of the new stadium and is due to expire in April 2022.

# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

### Principal risks and uncertainties

Risk is normally regarded as having two elements: the likelihood that something will happen, and the probable consequences if it did. In reviewing the risks we face, we have taken both these elements into account.

#### *Strategic risks*

The key strategic risks to the club and its parent company, the Dons Trust, arise from the move to a new stadium. In addition to the obvious financial and construction risks, there are cultural risks. In particular, the expected increase in the regular fanbase will bring new fans into the club, and there is a substantial task to be done in terms of helping new fans to understand our ethos and our principles and to play their part in the future direction of the club.

How the club and Trust manage these changes is a key strategic risk and much work is going into making sure that management and staff are thoroughly prepared for a transition to a new stadium.

#### *People risks*

Part of the preparation for this transition is making sure that any transition of people is also carefully managed. With the expected increase in staff, there will be a lot of work required to ensure the new hires understand the culture, yet still improve the professionalism, of the club. With Joe Palmer having completed his first full season as Chief Executive, he will continue to be responsible for delivering the new stadium, as well as all football decisions and the day-to-day management of the club. As a small business, there are a number of single points of failures and any loss of senior staff will need to be carefully managed. The Dons Trust has monthly meetings where it discusses succession planning.

#### *Financing risks*

There are financial risks involved in being a fans-owned club as, despite some very generous fans, the majority of our income has to be earned from our own resources. This leaves us more exposed than many other clubs to the adverse financial consequences if we were to be relegated from the English Football League. Relegation to League Two would obviously not be welcome, but the board is satisfied that finances are sufficiently robust to manage it, should that happen. We deal with this risk by not over-extending ourselves on long-term commitments in players' contracts and by carrying out regular cash flow forecasting to make sure that if the worst were to happen, we would manage. This problem has been exacerbated by the threat of COVID-19, and the club has taken all possible steps to reduce the issues that come with having no crowds in the stadium. Again, the support of the fans cannot be underestimated as they have committed to seat debentures and non-refundable season tickets, meaning there is not a large liability to be incurred as a result of games being played in an empty ground.

With a new stadium we will assume new financial risks, with the repayment of the bridging loan from MSP Capital Limited, and the Plough Lane Bond, being the most obvious ones from a financial perspective. The impact of these is included in business plans and cash flow forecasts, which are regularly reviewed and reported to the Dons Trust Board. A detailed operating budget for the new stadium has been prepared and independent advice has been sought to ensure that there are no unexpected tax liabilities arising from the various transactions.

#### *Reputational risks*

We have always been aware of the importance of our reputation and maintaining it has been a particular focus as we sought support for the planning process for the new stadium. Our approach throughout has been to stress the positive aspects of a return to Merton and the benefits to the community.

We believe that we are a particularly welcoming club, and new visitors frequently comment on the friendly atmosphere on matchdays. Nonetheless, we remain alert to the reputational damage that can be done by one-off events, and so will continue the rigorous pursuit of fans whose behaviour could bring the club into disrepute.

# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

### *Operational risks*

By their nature, operational risks arise from a wide range of issues. They are managed on a day-to-day basis by regular communications between the Football Club Board members. These discussions are reinforced by regular operational meetings and key issues are elevated to the Plc Board and Dons Trust Board for feedback and guidance.

### **Directors' duties – section 172 statement**

In performing their duties under section 172 of the Companies Act 2006 to promote the success of the company for the benefit of its members as a whole, the directors are committed to openly engaging with all of the club's key stakeholders.

A continued dialogue is required with supporters as they are also the ultimate owners of the club (by virtue of their membership of the Dons Trust) and the key providers of finance to the group (via the loans they have provided to the Dons Trust and shares purchased in this company). It is important that supporters understand the strategy and objectives of the club and open meetings are held on a quarterly basis where decisions made to date, and considerations for the future direction of the club, are discussed. When appropriate, supporter consultations occur and this has been the case in the current year, covering serious issues impacting the long-term future of the club, such as the funding of the new stadium at Plough Lane, to selecting the colour of the stadium's new seats and the food on offer in the new stadium.

The club's employees are a key part of ensuring the values of the company are adhered to and the desired behaviours are on display when engaging with supporters, customers, suppliers and the wider community as a whole. For the business to continue to succeed, we need to manage our people's performance and develop and bring through talent whilst still operating as efficiently as can be expected. Employees are consulted on a regular basis, with an open two-way dialogue between the company and employees being particularly evident when the issue of furloughing various members of the workforce arose. There is a high level of trust between employees and management, and this is demonstrated by the low turnover of permanent staff. The club is committed to being a responsible employer and a responsible business.

The club's role in the community is of huge strategic importance to the directors, particularly given that the majority of the club's ultimate owners reside in the local area and there is an ever increasing desire to attract new supporters as the club returns to Plough Lane. The group strives to make a positive contribution to local causes through the work of the AFC Wimbledon Foundation, including the creation of the hugely successful Dons Local Action Group ("DLAG") in March 2020 in response to the COVID-19 crisis. The hard work of the charitable arm of the group is a great source of pride and helps to reflect the club in a positive light across the local community and the wider footballing world.

### **Financial key performance indicators**

In a small company, which is what this football club continues to be, cash is a critical issue. The bank balance is monitored on a daily basis. In addition, cash flow forecasting is regularly updated for the latest developments.

Once a season is under way, the finances are largely predictable, with season tickets paid for and corporate sponsorships already sold (and, by and large, collected) before the start of the season. The major factor that then affects the finances is attendances, since they also directly affect matchday income from bars and merchandise sales, for example. The 2020/21 season has clearly been impacted by the COVID-19 pandemic and the club has agreed a prudent budget that should hopefully ensure the team remains competitive on the pitch, without incurring costs it cannot afford. Costs, specifically in football-related areas, therefore remain a key area of focus. The fixed annual commitments within players' contracts and the policy of only paying substantial bonuses out of additional earnings, such as prize money, means that the exposures are limited.



# AFCW PLC

## Group Strategic Report For the Year Ended 30 June 2020

---

### Going concern

Having reviewed the performance of the group and the company subsequent to the year end, and having prepared forecasts for the out-turn of the 2020/21 season which considers various scenarios that could occur as a result of the COVID-19 pandemic, the directors have concluded that the group and the company have adequate financial resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. As a result, the directors consider that it is appropriate to draw up the financial statements on a going concern basis.

However, the directors recognise that the impact of the COVID-19 pandemic is uncertain and a sustained period with significantly restricted levels of fan attendance at matches, or a sustained period when the football matches are prohibited from being played, could give rise to a severe downside scenario whereby the group may not achieve even the conservative levels of income that have been forecast when drawing the going concern conclusion. On this basis there is considered to be a material uncertainty which may cast significant doubt on the group's and company's ability to continue as a going concern. Further details are provided in note 2.3 to the financial statements.

This report was approved by the board on 25 November 2020 and signed on its behalf by

**J B Palmer**  
Director

# AFCW PLC

## Directors' Report For the Year Ended 30 June 2020

---

The directors present their report and the financial statements for the year ended 30 June 2020.

### Principal activity

The principal activity of the group throughout the year was that of an association football club and related leisure services, including operating bars, catering and functions. The principal activity of the company is to act as a holding company to the group.

### Results and dividends

The profit for the year, after taxation, amounted to £12,631,400 (2019 – £3,789,759). The directors do not propose payment of a final dividend (2019 – £Nil).

### Directors

The directors who served during the year and to the date of this report were:

I R McNay	
M N Davis	
R Evans	(resigned 6 January 2020)
J B Palmer	(appointed 28 July 2019)
A Kingsley	(appointed 29 July 2019)
M A Buckley	(appointed 29 July 2019)
E J S Leek	(appointed 13 August 2019)
E J Lonsdale	(appointed 6 January 2020)

### Future developments

The Group Strategic Report addresses the planned move to a new stadium, the associated risks and the steps the club and Trust Boards are taking to manage those risks.

### Energy and carbon reporting

The company's annual energy consumption is less than 40,000 kWh.

### Disclosure of information to the auditor

Each of the persons who are directors at the time this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and;
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 November 2020 and signed on its behalf.

**J B Palmer**  
Director

# AFCW PLC

## Directors' Responsibilities Statement For the Year Ended 30 June 2020

---

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group financial statements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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.

# AFCW PLC

## Independent Auditor's Report

---

### TO MEMBERS OF AFCW PLC

#### Opinion

We have audited the financial statements of AFCW PLC ('the Parent Company') and its subsidiaries ('the Group') for the year ended 30 June 2020 which comprise the consolidated statement of comprehensive income, consolidated and company statements of financial position, consolidated and company statements of changes in equity, consolidated statement of cash flows and 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 United Kingdom 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 Group's and of the Parent Company's affairs as at 30 June 2020 and of the Group's profit 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 2.3 to the financial statements which indicates that the directors have considered the potential impact of COVID-19 on the Group's and Parent Company's ability to continue as a going concern and there could be an additional funding requirement should a severe downside scenario materialise. As stated in note 2.3, these events or conditions, along with other matters as set out in note 2.3, indicate that a material uncertainty exists that may cast significant doubt over the Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

# AFCW PLC

## Independent Auditor's Report

---

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Group Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and Director's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Group and Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group and Parent Company 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.

# AFCW PLC

## Independent Auditor's Report

---

### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, 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 determines 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 Group's and the Parent 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 Group or the Parent 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.

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

### Use of report

This report is made solely to the Parent 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 Parent Company's members 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Wingrave (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, UK

25 November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# AFCW PLC

## Consolidated Statement of Comprehensive Income For the Year Ended 30 June 2020

	Note	2020 £	2019 £
Turnover	4	4,727,815	5,822,820
Cost of sales		<u>(4,742,604)</u>	<u>(6,361,133)</u>
<b>Gross (loss)</b>		(14,789)	(538,313)
Administrative expenses		(1,092,285)	(932,155)
Other income	5	<u>13,349,659</u>	<u>1,262,862</u>
<b>Operating profit/(loss) before gain on disposal of players' registrations, disposal of tangible assets and exceptional item</b>		12,242,585	(207,606)
Gain on disposal of tangible assets		-	4,024,113
Gain on disposal of players' registrations		442,500	62,500
Other operating costs - exceptional item	6	<u>-</u>	<u>(70,000)</u>
<b>Operating profit</b>	5	12,685,085	3,809,007
Interest receivable	9	1,968	-
Interest payable and similar expenses	10	<u>(55,653)</u>	<u>(19,248)</u>
<b>Profit on ordinary activities before taxation</b>		12,631,400	3,789,759
Taxation	11	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		12,631,400	3,789,759
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>12,631,400</u>	<u>3,789,759</u>
<b>Attributable to:</b>			
Owners of the parent company		<u>12,631,400</u>	<u>3,789,759</u>

All the above results relate to continuing operations.

The notes on pages 18 to 33 form part of these financial statements.

**AFCW PLC**  
Registered number:04764827

**Consolidated Statement of Financial Position**  
**As at 30 June 2020**

	Note	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Intangible assets	12		150,483		102,190
Tangible assets	13		<u>21,144,170</u>		<u>4,265,555</u>
			21,294,653		4,367,745
<b>Current assets</b>					
Stocks	15	35,365		153,056	
Debtors: amounts falling due within one year	16	845,586		1,013,912	
Cash at bank and in hand	17		<u>9,913,059</u>		<u>2,526,245</u>
			10,794,010		3,693,213
Creditors: amounts falling due within one year	18		<u>(4,020,545)</u>		<u>(2,964,363)</u>
<b>Net current assets</b>			<u>6,773,465</u>		<u>728,850</u>
<b>Total assets less current liabilities</b>			28,068,118		5,096,595
Creditors: amounts falling due after more than one year	19		<u>(6,080,547)</u>		<u>(653,452)</u>
<b>Net assets</b>			<u><b>21,987,571</b></u>		<u><b>4,443,143</b></u>
<b>Capital and reserves</b>					
Called up share capital	22		299,913		240,720
Share premium account	23		7,170,687		2,316,852
Profit and loss account	23		<u>14,516,971</u>		<u>1,885,571</u>
<b>Shareholders' funds</b>			<u><b>21,987,571</b></u>		<u><b>4,443,143</b></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 November 2020

**I R McNay**  
Chairman

**J B Palmer**  
Director

The notes on pages 18 to 33 form part of these financial statements.



# AFCW PLC

Registered number:04764827

## Company Statement of Financial Position As at 30 June 2020

	Note	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Investments	14		104		104
<b>Current assets</b>					
Debtors: amounts falling due within one year	16	13,240,873		2,946,952	
Cash at bank and in hand	17	<u>-</u>		<u>178,067</u>	
		13,240,783		3,125,019	
Creditors: amounts falling due within one year	18	<u>(308,459)</u>		<u>(445,400)</u>	
<b>Net current assets</b>			<u>12,932,414</u>		<u>2,679,619</u>
<b>Total assets less current liabilities</b>			12,932,518		2,679,723
Creditors: amounts falling due after more than one year	19		<u>(5,500,104)</u>		<u>(160,337)</u>
<b>Net assets</b>			<u><b>7,432,414</b></u>		<u><b>2,519,386</b></u>
<b>Capital and reserves</b>					
Called up share capital	22		299,913		240,720
Share premium account	23		7,170,687		2,316,852
Profit and loss account	23		<u>(38,186)</u>		<u>(38,186)</u>
<b>Shareholders' funds</b>			<u><b>7,432,414</b></u>		<u><b>2,519,386</b></u>

As permitted by section 408 of the Companies Act 2006, the parent company's income statement has not been included in these financial statements. Included within the group result for the year is a profit for the parent company of £Nil (2019 – £Nil).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 November 2020

**I R McNay**  
Chairman

**J B Palmer**  
Director

The notes on pages 18 to 33 form part of these financial statements.

# AFCW PLC

## Consolidated Statement of Changes in Equity For the Year Ended 30 June 2020

---

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2019	240,720	2,316,852	1,885,571	4,443,143
Issue of share capital	59,193	4,853,835	-	4,913,028
Total comprehensive income for the year	-	-	<u>12,631,400</u>	<u>12,631,400</u>
<b>At 30 June 2020</b>	<b><u>299,913</u></b>	<b><u>7,170,687</u></b>	<b><u>14,516,971</u></b>	<b><u>21,987,571</u></b>

## Consolidated Statement of Changes in Equity For the Year Ended 30 June 2019

---

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2018	240,720	2,316,852	(1,904,188)	653,384
Total comprehensive income for the year	-	-	<u>3,789,759</u>	<u>3,789,759</u>
<b>At 30 June 2019</b>	<b><u>240,720</u></b>	<b><u>2,316,852</u></b>	<b><u>1,885,571</u></b>	<b><u>4,443,143</u></b>

The notes on pages 18 to 33 form part of these financial statements.

## AFCW PLC

### Company Statement of Changes in Equity For the Year Ended 30 June 2020

---

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2019	240,720	2,316,852	(38,186)	2,519,386
Issue of share capital	59,193	4,853,835	-	4,913,028
Total comprehensive income for the year	-	-	-	-
<b>At 30 June 2020</b>	<b><u>299,913</u></b>	<b><u>7,170,687</u></b>	<b><u>(38,186)</u></b>	<b><u>7,432,414</u></b>

### Company Statement of Changes in Equity For the Year Ended 30 June 2019

---

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2018	240,720	2,316,852	(38,186)	2,519,386
Total comprehensive loss for the year	-	-	-	-
<b>At 30 June 2019</b>	<b><u>240,720</u></b>	<b><u>2,316,852</u></b>	<b><u>(38,186)</u></b>	<b><u>2,519,386</u></b>

The notes on pages 18 to 33 form part of these financial statements.

# AFCW PLC

## Consolidated Statement of Cash Flows For the Year Ended 30 June 2020

	<b>2020</b>	2019
	£	£
<b>Cash flows from operating activities</b>		
Profit for the financial year	12,631,400	3,789,759
<b>Adjustments for:</b>		
Amortisation of intangible assets	144,935	142,367
Depreciation of tangible assets	15,450	68,126
Profit on disposal of player registrations	(442,500)	(62,500)
Profit on disposal of fixed assets	-	(4,024,113)
Decrease in stocks	117,691	45,917
Interest payable	55,653	19,248
Interest receivable	(1,968)	-
Release of grants	-	(262,862)
Decrease/(increase) in debtors	168,326	(584,582)
Decrease in creditors	<u>(1,420,577)</u>	<u>(1,358,471)</u>
<b>Net cash flow from operating activities</b>	<u>11,268,410</u>	<u>(2,227,111)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(193,228)	(216,690)
Purchase of tangible fixed assets	(14,425,937)	(2,703,533)
Disposal of tangible assets	-	7,600,000
Disposal of player registrations	442,500	62,500
Interest receivable	<u>1,968</u>	<u>-</u>
<b>Net cash flow from investing activities</b>	<u>(14,174,697)</u>	<u>4,742,277</u>
<b>Cash flows from financing activities</b>		
Issue of shares	4,913,028	-
Loan from ultimate parent company	5,202,926	46,352
Drawdown of bank and other loans	232,800	-
Repayment of bank and other loans	-	(285,705)
Interest paid	<u>(55,653)</u>	<u>(19,248)</u>
<b>Net cash flow from financing activities</b>	<u>10,293,101</u>	<u>(258,601)</u>
<b>Net increase in cash and cash equivalents</b>	7,386,814	2,256,565
Cash and cash equivalents at beginning of year	<u>2,526,245</u>	<u>269,680</u>
<b>Cash and cash equivalents at the end of year</b>	<u>9,913,059</u>	<u>2,526,245</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>9,913,059</u>	<u>2,526,245</u>

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 1. General information

AFCW PLC is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the group's operations and its principal activities are stated in the Directors' Report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102'), and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of group and its subsidiaries ('the group') as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

#### 2.3 Going concern

Having reviewed the performance of the group and the company subsequent to the year end, and having prepared forecasts for the out-turn of the 2020/21 season, the Board of Directors have concluded that the group and the company have adequate financial resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements. As a result, the directors consider that it is appropriate to draw up the financial statements on a going concern basis

In carrying out this review the directors have considered both the continuing operations of the football club and anticipated cash flows during the period pertaining to the development of the club's new stadium in Wimbledon. The directors have also considered various scenarios that could occur as a result of the COVID-19 pandemic. A conservative budget was put in place for the financial year ending 30 June 2021, which included all games being played behind closed doors, and the club has continued to take the same conservative approach to tickets sales and commercial sponsorships in its initial outlook for the financial year ending 30 June 2022. This approach still shows the club as having adequate cash reserves for at least the foreseeable future period.

However, the directors recognise that the impact of the COVID-19 pandemic and the UK Government's response thereto continues to evolve and cannot be predicted with certainty at this time. In the event that there is a sustained period with no or significantly restricted levels of fan attendance at matches, or a sustained period when football matches are prohibited from being played, a severe downside scenario exists whereby the group may not achieve even the conservative levels of income that have been forecast when drawing the going concern conclusion. This could result in the need for additional financing in order for the group and the company to satisfy their liabilities as they fall due for payment over the foreseeable future period.

The possibility of the aforementioned events or conditions indicate that a material uncertainty exists which may cast significant doubt on the company's and group's and company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the group or company were unable to continue as a going concern.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 2.4 Turnover

Turnover represents gate receipts, commercial and other income associated with the principal activity of running a football club, owning a football stadium and related activities, exclusive of VAT. Season tickets and other revenues relating to future periods are held as deferred income in the statement of financial position and released to revenue in the future periods to which they relate. Merchandise and bar income are recognised as at the point of sale, whereas sponsorship, donations and youth development income are recognised in the relevant period in which they occur.

### 2.5 Intangible assets

The cost of players' registrations, comprising transfer fees payable and signing-on fees (if any), is capitalised at the fair value of consideration payable as at the date of acquisition and is amortised over the period to which the registration relates. The carrying value is reviewed to take into account any perceived impairment of the value of the registrations. Contingent transfer fees payable are recognised once the contingent event occurs.

The directors do not consider it possible to determine the value in use of an individual player in isolation, as that player cannot generate cash flows on his own. However, in circumstances where it is apparent that as at the period end the player would not be available for selection to play for the club, the player is taken outside of the wider football club single cash generating unit and valued at the lower of amortised cost and recoverable amount, being the directors' best estimate of the player's fair value less cost to sell, with any resulting impairment charge being made in operating expenses.

Examples of such circumstances include: the player falling out of favour with the senior football management, career-threatening injury and a clear intention on behalf of the player to leave the club. The directors' assessment of fair value will be based on:

- in the case of a player who has fallen out of favour with senior football management or intends to leave the club, either the agreed selling price if a transfer has been agreed subsequent to the year end or, if a transfer has not yet been agreed, the directors' best estimate of disposal value taking into account relevant transfer market information; or
- in the case of a player who has suffered a career-threatening injury, the value attributed by the club's insurers.

Gains or losses on the disposal of player registrations are calculated as the amount received for the sale of the player registration less the carrying value of the player registration at the date of the sale.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 2.6 Tangible fixed assets

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

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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

The estimated useful lives range as follows:

Motor vehicles	- 3 years
Plant and machinery	- 5 years
Furniture and fixtures	- 4 years
Computer equipment	- 3 years

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

Assets in the course of construction are not depreciated until brought into use.

Gains and losses on disposals are determined by comparing the proceeds receivable with the carrying amount and are recognised in profit or loss.

### 2.7 Leases

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is determined on the cost of purchase on a 'First In, First Out' basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.10 Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

### 2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.



# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank and other loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.14 Grants

Grants relating to expenditure on tangible fixed assets that require those assets to continue to comply with the terms of the grant are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of such grants is included in creditors as deferred income.

Grants that have no ongoing obligations on the part of the group are recognised in profit or loss once all the conditions of entitlement have been met and the grantor has no right of repayment.

### 2.15 Finance income and costs

Interest income is recognised in profit or loss using the effective interest method.

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.16 Taxation

Tax is recognised in profit or loss, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 2.17 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing the parent company financial statements, as permitted by the FRS 102, on the basis that this information has been provided for the group as a whole:

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the group either as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether, at the year end, players are available to play for the club. In circumstances where it is apparent that the player would not be available and has not yet been sold (for example, has suffered a career-threatening injury) that player is valued on a 'recoverable amount' basis which is based on the directors' best estimate of his valuation at the next available transfer opportunity. Any resulting impairment charge is recorded within operating expenses.
- Determine whether, at the year end, contingent player acquisition payables are probable or contingent player disposal receivables are virtually certain. In general these conditions are not considered to be met until the underlying contingency has been satisfied.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 4. Turnover

	2020 £	2019 £
Match receipts, prize money and player loans	2,729,566	3,565,278
Merchandise and programmes	249,786	292,086
Sponsorships and advertising	601,237	727,967
Bar and catering	268,294	396,401
Donations and sundry income	348,047	298,927
Youth development income	<u>530,885</u>	<u>542,161</u>
	<u>4,727,815</u>	<u>5,822,820</u>

All turnover arose in the United Kingdom.

### 5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Auditor's remuneration - audit of the company	2,500	2,000
Auditor's remuneration - audit of subsidiary undertakings	25,500	21,500
Depreciation - owned tangible fixed assets	15,450	68,126
Amortisation - intangible fixed assets	144,935	142,367
Ground licence rentals	92,875	97,490
Other income - release of grant income	-	(262,862)
Other income - Section 106 income	(13,000,000)	(1,000,000)
Other income – COVID-19 support grant	(25,000)	-
Other income – job retention scheme	(324,659)	-
Donations	<u>-</u>	<u>70,000</u>

### 6. Exceptional item

On 27 May 2016 the group exchanged contracts with Chelsea Football Club Limited for the sale of The Cherry Red Records Stadium, Kingsmeadow. The sale was subject to a number of Conditions Precedent ('CP') and did not become final until all the CPs were subsequently met in December 2018.

Following the exchange of contracts, the group issued notice to Kingstonian Limited which had the effect of bringing to an end their licence to play at Kingsmeadow. Accordingly, Kingstonian's licence ended in May 2017. To terminate this licence AFCW Stadium Limited paid Kingstonian contractual compensation of £80,500 and a donation of £69,500, which was recognised in the financial year ended 30 June 2017.

The Dons Trust Board and the Football Club Board agreed that it was important and morally right to help Kingstonian Limited secure their future by making a further substantial donation upon completion of the sale of the stadium. The nature of the agreements meant that this donation, for £1,000,000, was accrued for in the year ended 30 June 2017. The donation was however to be funded from the profit from the sale of Kingsmeadow and £750,000 was therefore deferred and paid in the year ended 30 June 2019 following the completion of the sale. As a result of the later than expected completion date, it was agreed that an additional donation of £70,000 would be paid to Kingstonian and this was also recognised in the year ended 30 June 2019.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 7. Employees

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	3,306,574	4,193,441
Player and football staff expenses	22,537	67,926
Social security costs	<u>305,395</u>	<u>390,221</u>
	<u>3,634,506</u>	<u>4,651,588</u>

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

	2020 No.	2019 No.
Football staff (including Scholars and Development Squad)	54	58
Bar and other part-time staff	67	70
Administration	18	16
Academy Coaches	<u>32</u>	<u>33</u>
	<u>171</u>	<u>177</u>

A significant number of part-time bar staff work on an occasional basis. The number shown above is the average number of staff available 'on call' during the year.

In addition to the numbers of paid staff included above, there are many unpaid volunteers who carry out a wide range of work. Their importance to the club's operations is illustrated by the fact that about 30 volunteers work on a match day to ensure that everything runs smoothly; many other volunteers work during the week.

### 8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	132,357	129,250
Company pension contributions to defined contribution scheme	1,315	934
Amount paid to third parties in respect of a director's services	<u>31,232</u>	<u>40,232</u>
	<u>164,905</u>	<u>170,416</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to one (2019: one).

### 9. Interest receivable

	2020 £	2019 £
Bank interest receivable	<u>1,968</u>	<u>-</u>

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 10. Interest payable and similar expenses

	2020 £	2019 £
Bank loan	-	4,140
Loan from ultimate parent company	<u>55,653</u>	<u>15,108</u>
	<u>55,653</u>	<u>19,248</u>

### 11 Tax on ordinary activities

	2020 £	2019 £
Tax charge for the year	<u>-</u>	<u>-</u>

#### Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>12,631,400</u>	<u>3,789,759</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019 – 19.00%)	2,399,966	720,054
<b>Effects of:</b>		
Depreciation for year in excess of capital allowances	12,531	12,944
Group rollover relief	-	(764,581)
Non-taxable income less expenses not deductible for tax purposes	(2,535,486)	(250,625)
Losses carried forward	<u>122,989</u>	<u>282,208</u>
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

#### Factors that may affect future tax charges

The company has a deferred tax asset of £874,057 (2019 – £751,068), arising due to the availability of tax losses and depreciation in advance of capital allowances, which has not been recognised in the financial statements as, on the available evidence, it does not meet the recognition criteria as stipulated by Section 29 of FRS 102.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 12. Intangible assets

#### Group

	Player registrations £	Computer licenses £	Total £
<b>Cost</b>			
At 30 June 2019	200,852	-	200,852
Additions	57,228	136,000	193,228
Disposals	<u>(95,242)</u>	<u>-</u>	<u>(95,242)</u>
At 30 June 2020	<u>162,838</u>	<u>136,000</u>	<u>298,838</u>
<b>Amortisation</b>			
At 30 June 2019	98,662	-	98,662
Charge for the year	117,735	27,200	144,935
Disposals	<u>(95,242)</u>	<u>-</u>	<u>(95,242)</u>
At 30 June 2020	<u>121,155</u>	<u>27,200</u>	<u>148,355</u>
<b>Net book value</b>			
At 30 June 2020	<u>41,683</u>	<u>108,800</u>	<u>150,483</u>
At 29 June 2019	<u>102,190</u>	<u>-</u>	<u>102,190</u>

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 13. Tangible fixed assets

#### Group

	Assets under construction £	Motor vehicles £	Plant and machinery £	Computer equipment £	Furniture and fixtures £	Total £
<b>Cost or valuation</b>						
At 30 June 2019	4,243,794	-	49,044	79,075	8,332	4,380,245
Additions	<u>16,876,603</u>	<u>17,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,894,065</u>
At 30 June 2020	<u>21,120,397</u>	<u>17,462</u>	<u>49,044</u>	<u>79,075</u>	<u>8,332</u>	<u>21,274,310</u>
<b>Depreciation</b>						
At 30 June 2019	-	-	35,183	74,201	5,306	114,690
Charge for the year	<u>-</u>	<u>5,821</u>	<u>4,049</u>	<u>3,608</u>	<u>1,972</u>	<u>15,450</u>
At 30 June 2020	<u>-</u>	<u>5,821</u>	<u>39,232</u>	<u>77,809</u>	<u>7,278</u>	<u>130,140</u>
<b>Net book value</b>						
At 30 June 2020	<u>21,120,397</u>	<u>11,641</u>	<u>9,812</u>	<u>1,266</u>	<u>1,054</u>	<u>21,144,170</u>
At 29 June 2019	<u>4,243,794</u>	<u>-</u>	<u>13,861</u>	<u>4,874</u>	<u>3,026</u>	<u>4,265,555</u>

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 14. Fixed asset investments

#### Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 30 June 2019 and 30 June 2020	<u>104</u>
<b>Net book value</b>	
At 30 June 2019 and 30 June 2020	<u><u>104</u></u>

#### Subsidiary undertakings:

The following were all 100% subsidiary undertakings of the company at 30 June 2020:

Name	Country in which incorporated	Class of shares	Principal activity
AFC Wimbledon Limited	England and Wales	Ordinary	Association football club
AFCW Stadium Limited	England and Wales	Ordinary	Non-trading
The Wider Interests of Football Limited	England and Wales	Ordinary	Football stadium ownership
AFC Wimbledon Ladies FC Limited	England and Wales	Ordinary	Ladies football club

Each of the above subsidiary undertakings has the same registered office as the company.

AFCW PLC intends to provide a parental guarantee for AFC Wimbledon Ladies FC Limited, thus entitling them to exemption from a statutory audit under section 479A of the Companies Act 2006.

### 15. Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Goods for resale - merchandise and bar stocks	<u>35,365</u>	<u>153,056</u>	<u>-</u>	<u>-</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.



# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 16. Debtors

	<b>Group 2020 £</b>	Group 2019 £	<b>Company 2020 £</b>	Company 2019 £
Trade debtors	11,342	52,448	-	-
Amounts owed by group undertakings	-	-	13,240,873	2,946,952
Other debtors	507,098	511,336	-	-
Other taxes and social security	263,581	254,349	-	-
Prepayments and accrued income	<u>63,565</u>	<u>195,779</u>	<u>-</u>	<u>-</u>
	<u>845,586</u>	<u>1,013,912</u>	<u>13,240,873</u>	<u>2,946,952</u>

All amounts shown under debtors fall due for payment within one year. The impairment loss recognised in the group profit or loss for the year in respect of bad and doubtful trade debtors was £30,000 (2019 – £Nil). The impairment loss recognised in the company profit or loss for the year in respect of bad and doubtful trade debtors was £Nil (2019 – £Nil).

### 17. Cash and cash equivalents

	<b>Group 2020 £</b>	Group 2019 £	<b>Company 2020 £</b>	Company 2019 £
Cash at bank and in hand	<u>9,913,059</u>	<u>2,526,245</u>	<u>-</u>	<u>178,067</u>

### 18. Creditors: Amounts falling due within one year

	<b>Group 2020 £</b>	Group 2019 £	<b>Company 2020 £</b>	Company 2019 £
Loans - unsecured (note 20)	62,368	-	-	-
Trade creditors	1,606,915	1,627,115	-	-
Amounts owed to ultimate parent company (note 19)	308,458	445,299	308,458	445,299
Amount owed to subsidiary company	-	-	1	101
Other taxes and social security	1,500	139,241	-	-
Other creditors	-	200	-	-
Accruals and deferred income	<u>2,041,304</u>	<u>752,508</u>	<u>-</u>	<u>-</u>
	<u>4,020,545</u>	<u>2,964,363</u>	<u>308,459</u>	<u>445,400</u>

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 19. Creditors: Amounts falling due after more than one year

	<b>Group 2020 £</b>	Group 2019 £	<b>Company 2020 £</b>	Company 2019 £
Loans - unsecured (note 20)	170,432	-	-	-
Amounts owed to ultimate parent company	5,500,104	160,337	5,500,104	160,337
Accruals and deferred income	<u>410,011</u>	<u>493,115</u>	<u>-</u>	<u>-</u>
	<u><u>6,080,547</u></u>	<u><u>653,452</u></u>	<u><u>5,500,104</u></u>	<u><u>160,337</u></u>

Of the amounts due to the ultimate parent company, £5,808,535 (2019 – £469,388) attracts interest at an average rate of 2%. Interest paid on this balance in the year amounts to £55,653 (2019 – £15,108).

Included in accruals and deferred income falling due after more than one year is an unamortised grant of £219,744 (2019 – £219,744) received in respect of leasehold improvements.

### 20. Loans

	<b>Group 2020 £</b>	Group 2019 £	<b>Company 2020 £</b>	Company 2019 £
<b>Amounts falling due:</b>				
Within one year	62,368	-	-	-
Between one and two years	70,347	-	-	-
Between two and five years	91,313	-	-	-
In more than five years	<u>8,772</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>232,800</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

On 25 March 2020, AFC Wimbledon Limited agreed an unsecured loan with The Football League Limited for £182,000. The loan attracts an interest rate of 0% per annum and is due to expire in March 2023.

On 18 May 2020, AFC Wimbledon Limited agreed an unsecured loan with The Co-operative Bank Plc for £50,000. The loan attracts an interest rate of 2.5% per annum and is due to expire in May 2026.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 21. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	<u>10,431,499</u>	<u>3,090,029</u>	<u>13,240,873</u>	<u>3,124,911</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>(8,067,528)</u>	<u>(2,964,364)</u>	<u>(5,808,563)</u>	<u>(605,737)</u>

Financial assets measured at amortised cost comprise cash balances, trade and other debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise bank loans, trade and other creditors, accruals and amounts owed to the ultimate parent company.

### 22. Share capital

	2020 £	2019 £
<b>Authorised</b>		
22,342,911 (2019 – 20,000,000) Ordinary shares of £0.01 each	223,429	200,000
20,813,715 (2019 – 20,000,000) Ordinary A shares of £0.01 each	<u>208,137</u>	<u>200,000</u>
	<u>431,566</u>	<u>400,000</u>
<b>Allotted, called up and fully paid</b>		
22,342,911 (2019 – 20,000,000) Ordinary shares of £0.01 each	223,429	200,000
7,648,400 (2019 – 4,071,520) Ordinary A shares of £0.01 each	<u>76,484</u>	<u>40,720</u>
	<u>299,913</u>	<u>240,720</u>

The ordinary shares and the ordinary A shares rank pari passu in all respects except that each ordinary share entitles its holder to three votes and each ordinary A share entitles its holder to one vote.

On 29 June 2020, the company increased its authorised share capital by 2,342,911 ordinary shares of £0.01 each and 813,715 ordinary A shares of £0.01 each.

On 1 June 2020, the company allotted 2,763,165 ordinary A shares of £0.01 each for consideration of £0.83 per share.

On 29 June 2020, the company allotted 2,342,911 ordinary shares and 813,715 ordinary A shares of £0.01 each for consideration of £0.83 per share.

# AFCW PLC

## Notes to the Financial Statements For the Year Ended 30 June 2020

---

### 23. Capital and reserves

The group's capital and reserves are as follows:

**Share capital** - Called up share capital represents the nominal value of the shares issued.

**Share premium** - The share premium reserve includes the premium on issue of equity shares, net of any issue costs.

**Profit and loss account** - The profit and loss account reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

### 24. Related party transactions

During the year, the group paid for a number of transactions on behalf of AFC Wimbledon Foundation, an independent charity which has two Trustees who are former directors of AFCW Plc, and two Trustees who are current directors of AFCW Plc. The total of such transactions during the year was £377,082 (2019 - £333,968), and the amount outstanding at 30 June 2020 was £1,449 (2019 - £11,337).

### 25. Controlling party

The immediate and ultimate parent company is Wimbledon Football Club Supporters' Society Limited ('The Dons Trust'), a registered society under the Cooperative and Community Benefit Societies Act 2014.

No entity prepares consolidated financial statements which include the results of the group.

### 26. Post balance sheet event

On 10 July 2020, The Wider Interests of Football Limited entered into a £4,100,000 loan arrangement with MSP Capital Limited. The loan is secured against the freehold of the site of the new stadium and is due to expire in April 2022.