AFCW PLC

Report and Financial Statements

Year Ended

30 June 2022

Company Number 04764827

AFCW PLC

Company Information

Directors	I R McNay C C S Talbot N J Robertson M A Buckley M M Little L Mackenzie K Stewart
Company secretary	W D Charles
Registered number	04764827
Registered office	Plough Lane Stadium Plough Lane London SW17 0NR
Independent auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

AFCW PLC

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Group Strategic Report
For the Year Ended 30 June 2022

The directors present their strategic report and a review of the business for the financial year ended 30 June 2022.

Business review

On the pitch

The 2021/22 season was our sixth consecutive season in League One and marked a historic moment for the club as it returned to its spiritual home in Wimbledon at the newly built Cherry Red Records Stadium, Plough Lane with fans in full attendance for the first time and for the entire duration of the season. Despite this key landmark in the club's history, the season was extremely challenging on the pitch in terms of results, which eventually saw the club relegated from League One on the final day of the season.

The season started brightly on the pitch and by mid-September the club sat in fourth position in the table whilst also enjoying a lucrative third round EFL Cup tie away at Arsenal. A slight downturn in form followed and by Christmas, the club were in a comfortable 17th position within the league on the back of an unbeaten run of four games.

Just prior to Christmas, two important games were postponed at very short notice as the club were informed the opposition teams were experiencing a number of COVID-19 cases within their playing squads, rendering them unable to fulfil the fixtures. This disruption, combined with a disappointing exit from the FA Cup in the third round away to National League side Boreham Wood and then a congested fixture schedule following the cancellations, coincided with a poor run of form whereby the club did not win another league game for the remainder of the season, ultimately ending in relegation.

In an attempt to improve matters on the field, the club parted ways with Mark Robinson on 28 March 2022, relieving him from his position of head coach. Mark had been at the club since 2004 and the club are extremely grateful to Mark for all his hard work, loyalty and commitment during his time at the club.

On 30 March 2022, Mark Bowen was appointed as the new first-team manager for the final seven games of the season. This brought around an improvement in results, however, the club's fortunes didn't change sufficiently, and despite taking the lead in four of the last seven games, the club were unable to find that elusive win to aid their bid for survival in League One. The club were officially confirmed as relegated on the last day of the season following a run of 27 league games without a win.

On 7 May 2022, Mark Bowen departed AFC Wimbledon leaving the club to embark on the search for a new first-team manager. On 16 May 2022, Johnnie Jackson was appointed on a two-year deal, assisted by Terry Skiverton.

In the cup competitions, the club reached the third round of both the EFL Cup and the FA Cup, with the EFL Cup third round away tie at Arsenal the particular highlight. The club exited the Football League Trophy in the group stages.

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, the Under-18 team has performed well in the FA Youth Cup, so it was slightly disappointing to see the Under-18 team bow out of the competition in the second round against Charlton after losing in extra time.

Despite this, the Under 18's won the EFL Youth Alliance South East league and reached the Southern final of the EFL Youth Alliance Cup before losing to Luton Town. In addition, it was encouraging to see the club gain recognition for the hugely impressive work it is doing in developing youngsters, demonstrated by one of our Academy players being called into international squads for their respective country and age group during the season.

The success of the academy has not gone unnoticed outside of the club and during the season, two academy players departed for Premier League clubs. It continues to remain a challenge for the club as to how it can best retain its top young talent and not lose them to larger and better resourced clubs.

Women

The Women's first team competed once again in the FA Women's National League (FAWNL) Division 1 South East. This was the first full season after the disruption caused by COVID.

On the field we boosted the team with a number of new additions. We put on a strong showing finishing third in the league and runners up in the FAWNL Plate losing narrowly to Nottingham Forest. Our players won the league Golden Boot and Golden Gloves. We held our first ever game at the Cherry Red Records Stadium, Plough Lane where we won convincingly in front of a record 1,400 crowd, with the following match at Plough Lane receiving 600 fans.

Away from the playing side, the aim of the management team is to continually improve facilities and opportunities. We recognise that our players have full time jobs so we created initiatives to improve nutrition, rest and conditioning, increasing physio hours. We began to investigate how we can use Plough Lane to best advantage on matchday. We appointed a full time Women's General Manager (WGM) to increase attendance, improve media and liaise with the men's club. One of the WGM's first tasks was to manage the publicity and logistics around our decision to rename ourselves as AFC Wimbledon Women, recognising a general trend in Women's football.

Finally, and with great sadness, we lost Dennis Lowndes. Dennis was a fantastic advocate for Women's and Girl's football at Wimbledon, a stalwart of the female game, whose knowledge of playing pitches and contribution as a volunteer, as a Director to the Women's board and Life President of the Girl's will be sorely missed.

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.

The move to the new stadium has opened 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 and we expect this to continue in the coming years.

Stadium developments

This season marked the historic return of the club to its spiritual home in Wimbledon with fans in attendance on match days. The new stadium is held by The Wider Interests of Football Limited, a subsidiary which is 100% owned by this company. The construction completed substantially in the year ended 30 June 2021, however, the final construction elements regarding the East Wall and defects were completed in the year ended 30 June 2022.

Buckingham Group Contracting were contracted to build the new stadium, and the first phase of the build has seen a stadium constructed with a capacity of over 9,000. The stadium was 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 (Seedrs crowdfunding campaign and 10% shareholding sold to Nick Robertson) and debt (bond raise and bridging loan with MSP Capital Limited). The raising of debt and equity is reflected in the accounts for AFCW PLC.

During the year, the group refinanced the secured bridging loan with MSP Capital via a mix of additional unsecured bonds, new equity and a loan note from a related party for which one of the company's directors is also a director of. This has left the stadium free of security and has allowed the club to focus on a long-term refinancing plan.

Financial performance

The 2020/21 season posed a significant financial challenge to the club with the whole season played behind closed doors without any supporters. For the year ended 30 June 2022, the club budgeted for break-even EBITDA, however, as the season started, there was significant uncertainty as to whether government restrictions would continue in place throughout the season.

With less than three weeks before the start of the new season, the government announced that most legal limits on social contact were removed in England. This allowed the club to operate the entire year without having to restrict attendance. Consequently, the club enjoyed its first full season at Plough Lane with fans in attendance and returned a small operating loss of £0.1m, increasing to an operating profit of £0.02m before exceptional items.

The stadium was materially complete in the year ended 30 June 2021. There has been some additional exceptional expenditure in the current financial year, however, as construction has now completed, the club does not expect to incur any further construction costs in the upcoming financial year. The club's long-term financial strategy is to ensure the club is sustainable and fan-owned and the new stadium is the cornerstone of that strategy.

The club considers the financial performance for the season as strong, despite the club's relegation on the pitch. The operation of the new stadium with supporters for the first time saw revenues increase by over 60% to just over £8m demonstrating the financial potential of the new stadium. Profit improvement of £1m from an operating loss of £1.1m last year to £0.1m this year can be attributed to some of the following; (i) the club's success in generating transfer revenues (£0.7m) (ii) additional Premier League funding received in the year (£0.5m) and (iii) success in cup competitions (£0.3m).

Administrative expenses, excluding exceptional costs, increased in the year by 75% as the club operated a full year of the new stadium with supporters. This is reflective of a larger staff team required to operate the new stadium in addition to the increased operating costs associated with a much larger and new stadium for a full season.

As in previous years, the Academy is a substantial net cost to the club. This is a conscious decision of the club to invest in future talent and does not take into account any income from transfer fees and the benefit the first team derives from the Academy.

Financial position

Turning to the statement of financial position, shareholders' funds have increased by just under £0.7m. The rest of the stadium was constructed by deploying cash reserves of £1.7m on fixed asset additions in the year. The stadium had its first full year of depreciation over its estimated useful life of 50 years and the net book value at 30 June 2022 stood at just under £32.7m.

Elsewhere in the statement of financial position, the club successfully refinanced the secured bridging loan with MSP Capital Limited in full through a combination of £3.8m from a re-launch of the Plough Lane Bond, just over £1.1m of equity issued and a further £0.5m loan note from a related party for which one of the company's directors is also a director of. The stadium is now free of secured debt and the refinancing has allowed the club to build a steady platform from which to construct a long-term refinancing plan. Cash flows from operating activities have improved from a cash outflow of £0.2m to a cash inflow of £1.2m. The cash position at the year end has also improved from £2.0m to £2.7m.

Going concern

Having reviewed the performance of the group subsequent to the year-end and having prepared prudent forecasts for the out-turn of the 2022/23 season, the directors are confident that the group and the company will 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. Relegation to League Two with the consequent drop in EFL funding and expected lower away attendances has created a larger financial challenge than in League One. Despite that the directors and club are confident that 2022-23 will be another year of improved finances, with continued careful management of costs. The appointment of a new Managing Director Danny Macklin in November 2022 and the expected appointment of a Head of Football Operations should give the club the opportunity to both exploit the potential of Plough Lane to grow revenues at the ground, and work with the football team to manage player recruitment and sales more strategically. As a result, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

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 majority shareholder, the Dons Trust, arise from the move to, and continued operation of, the new stadium. In addition to the obvious financial risks, which include attempting to control and manage rising energy and other operational costs, there are cultural risks. In particular, the club needs to maintain the increase it has seen in its regular fanbase, despite the club's relegation, and there is a substantial task to be done in terms of helping new fans 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 as we embark on developing our long-term strategy at the new stadium.

People risks

Part of the preparation for the transition to the new stadium was making sure that any transition of people was also carefully managed. With the increase in staff, there has been and will continue to be a lot of work required to ensure the new hires understand the culture, yet still improve the professionalism, of the club. Joe Palmer, former Chief Executive, was responsible for delivering the construction of the new stadium, as well as all football decisions and the day-to-day management of the club. Since his departure in February 2022, Mick Buckley has been acting as Interim Chair. He was tasked with recruiting a new Managing Director who will be responsible for ensuring the new stadium is put to its maximum use and Danny Macklin was appointed to this role in November 2022. 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 AFCW PLC Board and Dons Trust Board each have 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 has not been welcome, however, the Board is satisfied that finances are sufficiently robust to manage this and a detailed budget and cash flow forecast has been prepared for the upcoming season to ensure the club has adequate financial resources to continue as a going concern. 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.

With the new stadium and having now successfully refinanced the secured bridging loan from MSP Capital Limited, the Plough Lane Bond is now the most obvious risk from a financial perspective. The club is embarking on a long-term refinancing plan, which will include a detailed business plan and cash flow forecast, which will be regularly reviewed and reported to both the AFCW PLC Board and Dons Trust Board.

Reputational risks

We have always been aware of the importance of our reputation, and maintaining it was a particular focus as we sought support for the planning process for the new stadium. Our approach throughout was 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.

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 Senior Leadership Team and the AFCW PLC Board. These discussions are reinforced by regular operational meetings and key issues are elevated to the 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 group'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.

The group's employees are a key part of ensuring the values of the group 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 group and employees being particularly evident by way of weekly Senior Leadership Team meetings and monthly all-employee meetings. The club is committed to being a responsible employer and a responsible business and pays London Living Wage to all staff on its payroll.

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 has returned to the Plough Lane area where it spent many years serving the community. The group strives to make positive contribution to local causes through the work of the AFC Wimbledon Foundation, Dons Local Action Group ("DLAG") and Wimbledon in Sporting History ("WiSH"). The hard work of the charitable arms of the group is a great source of pride and helps to reflect the club in a positive light across the local community and wider footballing word.

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.

AFCW PLC

Group Strategic Report
For the Year Ended 30 June 2022

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) in the early part of the season. The major factor that then affects the finances is attendances, since they directly affect matchday income from bars and merchandise sales, for example. A table of attendances, including comparisons with the pre-season estimates, is regularly produced and reviewed by the AFCW PLC Board, and steps are taken to ensure that we promote games which are likely to have lower crowds.

The other major area of focus is costs, specifically in football-related areas. 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.

This report was approved by the board on 25 November 2022 and signed on its behalf by

M. Buckley

M A Buckley
Director

The directors present their report and the financial statements for the year ended 30 June 2022.

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 loss for the year, after taxation, amounted to £430,823 (2021 – £1,502,944). The directors do not propose payment of a final dividend (2021 – £Nil).

Directors

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

I R McNay
M A Buckley
N J Robertson
C C S Talbot
M M Little (appointed 1 January 2022)
K Stewart (appointed 1 January 2022)
L Mackenzie (appointed 30 June 2022)
F Flaxman (appointed 1 January 2022 and resigned 30 June 2022)
E J Lonsdale (resigned 31 December 2021)
E J S Leek (resigned 31 December 2021)
H E Kitcher (resigned 31 December 2021)
J B Palmer (resigned 15 March 2022)
X C C Wiggins (resigned 6 April 2022)

Future developments

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

Energy and carbon reporting

Given this is the first year the club has operated in the new stadium, the club is still monitoring its energy consumption closely in order to report its annual energy consumption annually. The club seeks ways to mitigate its energy consumption and has installed solar panels on the roof of the West stand. The club's annual energy consumption is anticipated to be c. 400,000 kWh for electricity and c. 50,000 kWh for gas.

Post balance sheet events

Subsequent to year-end, in August 2022, the club repaid £360k in relation to the £500k loan note from a related party for which one of the company's directors is also a director of. In addition, in July 2022 the club sold Archie Stevens to Rangers and in August 2022 sold Jack Rudoni to Huddersfield and Luke McCormick to Bristol Rovers for undisclosed fees.

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 2022 and signed on its behalf.

M. Buckley

M A Buckley
Director

Directors' Responsibilities Statement
For the Year Ended 30 June 2022

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 and then apply them consistently;
- make judgments 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 on the financial statements

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 2022 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of AFCW Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2022 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 UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Group or Parent 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 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. 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.

Other Companies Act 2006 reporting

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.

In the light of the knowledge and understanding of the Group and Parent 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 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 Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the 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.

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 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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- making enquiries of management of the Group and Company's policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- evaluating where fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:
    - management override of controls: we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included
        - challenging assumptions made by management in their accounting estimates;
        - identifying and testing journal entries, in particular any journal entries to revenue which are not in line with expectations and reviewing journal entries for journals inconsistent with the usual transactions of the Group and Company.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 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.

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

Date: 25 November 2022

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 2022

	Note	2022 £	2021 £
Turnover	4	8,141,278	5,034,150
Cost of sales		(5,805,455)	(4,503,866)
Gross profit		2,335,823	530,284
Administrative expenses (including exceptional costs of £152,606 (2021 - £92,579))	6	(3,264,833)	(1,866,327)
Other income	5	72,750	182,677
Operating loss before gain on disposal of players' registrations		(856,260)	(1,153,366)
Gain on disposal of players' registrations		726,750	20,000
Operating loss	5	(129,510)	(1,133,366)
Interest receivable	9	139	5,662
Interest payable and expenses	10	(606,642)	(375,240)
Loss on ordinary activities before taxation		(736,013)	(1,502,944)
Taxation	11	305,190	-
Loss for the year		(430,823)	(1,502,944)
Other comprehensive income		-	-
Total comprehensive loss for the year		(430,823)	(1,502,944)
Attributable to:			
Owners of the parent company		(430,823)	(1,502,944)

All the above results relate to continuing operations.

AFCW PLC

Consolidated Statement of Financial Position
As at 30 June 2022

Registered number: 04764827			**2022**		**2021**
	Note	**£**	**£**	**£**	**£**
Fixed assets					
Intangible assets	12		124,026		145,908
Tangible assets	13		32,842,140		31,642,738
Debtors: amounts falling due after one year	16		49,327		-
			33,015,493		31,788,646
Current assets					
Stocks	15	104,101		146,437	
Debtors	16	926,432		563,935	
Cash at bank and in hand	17	2,729,573		1,982,421	
		3,760,106		2,692,793	
Creditors: amounts falling due within one year	18	(2,733,576)		(6,003,143)	
Net current assets / (liabilities)			1,026,530		(3,310,350)
Total assets less current liabilities			34,042,023		28,478,296
Creditors: amounts falling due after more than one year	19		(12,215,476)		(7,333,902)
Net assets			**21,826,547**		**21,144,394**
Capital and reserves					
Called up share capital	23		321,185		307,862
Share premium account	24		8,922,158		7,822,505
Profit and loss account	24		12,583,204		13,014,027
Shareholders' funds			**21,826,547**		**21,144,394**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 November 2022.

M. Buckley

I R McNay
Chairman

M A Buckley
Director

The notes on pages 19 to 35 form part of these financial statements.

AFCW PLC

Company Statement of Financial Position
As at 30 June 2022

Registered number: 04764827	**Note**	**£**	**2022 £**	**£**	**2021 £**
Fixed assets					
Investments	14		106		104
Current assets					
Debtors	16	19,248,617		13,398,218	
		19,248,617		13,398,218	
Creditors: amounts falling due within one year	18	(155,014)		(154,834)	
Net current assets			19,093,603		13,243,384
Total assets less current liabilities			19,093,709		13,243,488
Creditors: amounts falling due after more than one year	19		(10,146,488)		(5,943,865)
Net assets			**8,947,221**		**7,299,623**
Capital and reserves					
Called up share capital	23		321,185		307,862
Share premium account	24		8,922,158		7,822,505
Profit and loss account	24		(296,122)		(830,744)
Shareholders' funds			**8,947,221**		**7,299,623**

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 £534,622 (2021 – loss of £792,558).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 November 2022.

M. Buckley

I R McNay
Chairman

M A Buckley
Director

The notes on pages 19 to 35 form part of these financial statements.

AFCW PLC

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2022

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2021	307,862	7,822,505	13,014,027	21,144,394
Issue of share capital	13,323	1,099,653	-	1,112,976
Total comprehensive loss for the year	-	-	(430,823)	(430,823)
At 30 June 2022	**321,185**	**8,922,158**	**12,583,204**	**21,826,547**

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2021

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2020	299,913	7,170,687	14,516,971	21,987,571
Issue of share capital	7,949	651,818	-	659,767
Total comprehensive loss for the year	-	-	(1,502,944)	(1,502,944)
At 30 June 2021	**307,862**	**7,822,505**	**13,014,027**	**21,144,394**

The notes on pages 19 to 35 form part of these financial statements.

AFCW PLC

Company Statement of Changes in Equity
For the Year Ended 30 June 2022

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2021	307,862	7,822,505	(830,744)	7,299,623
Issue of share capital	13,323	1,099,653	-	1,112,976
Total comprehensive loss for the year	-	-	534,622	534,622
At 30 June 2022	**321,185**	**8,922,158**	**(296,122)**	**8,947,221**

Company Statement of Changes in Equity
For the Year Ended 30 June 2021

	Share capital £	Share premium £	Profit and loss account £	Total equity £
At 30 June 2020	299,913	7,170,687	(38,186)	7,432,414
Issue of share capital	7,949	651,818	-	659,767
Total comprehensive loss for the year	-	-	(792,558)	(792,558)
At 30 June 2021	**307,862**	**7,822,505**	**(830,744)**	**7,299,623**

The notes on pages 19 to 35 form part of these financial statements.

AFCW PLC

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities		
(Loss) / profit for the financial year	(430,823)	(1,502,944)
Adjustments for:		
Amortisation of intangible assets	122,563	116,885
Depreciation of tangible assets	714,556	116,882
Profit on disposal of player registrations	(726,750)	(20,000)
(Increase) / decrease in stocks	42,336	(111,072)
Interest payable	606,642	375,240
Interest receivable	(139)	(5,662)
(Increase) / decrease in debtors	(83,844)	281,651
Increase in creditors	821,086	554,309
Net cash flow from operating activities	1,065,627	(194,711)
Cash flows from investing activities		
Purchase of intangible fixed assets	(100,681)	(112,310)
Purchase of tangible fixed assets	(1,866,378)	(11,678,616)
Disposal of player registrations	398,770	20,000
Interest receivable	139	5,662
Net cash flow from investing activities	(1,568,150)	(11,765,264)
Cash flows from financing activities		
Issue of shares	1,112,976	659,767
Loan from ultimate parent company	3,760,298	373,582
Drawdown of loans	504,500	3,272,411
Repayment of loans	(3,452,766)	-
Interest paid (including payment of interest previously rolled up into loans)	(600,292)	(242,880)
Principal paid on finance leases	(75,041)	(33,543)
Net cash flow from financing activities	1,249,675	4,029,337
Net increase / (decrease) in cash and cash equivalents	747,152	(7,930,638)
Cash and cash equivalents at beginning of year	1,982,421	9,913,059
Cash and cash equivalents at the end of year	2,729,573	1,982,421
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,729,573	1,982,421

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, 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 company'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

As at 30 June 2022, the group had net assets of £21.8m, having generated a loss in the current year of £0.4m. The company had net assets of £8.9m.

Having reviewed the performance of the company and the group subsequent to the year end, and having prepared forecasts for the outturn of the 2022/23 season and extending to December 2023, 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. In arriving at this conclusion the directors have applied prudent assumptions in forecasting match day attendance, cup income, donation and sponsorship income. As a result, the directors consider that it is appropriate to draw up the financial statements on a going concern basis.

2.4 Turnover

Turnover represents gate receipts, commercial, online streaming 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, debenture income 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.

Where computer licences relate to software that is not an integral part of a related item of computer hardware, the licence is treated as an intangible asset. Capitalised licence costs include external direct costs of goods and services. Capitalised licences are amortised on a straight line basis over their expected useful lives of 5 years. Any impairment in value is recognised within profit or loss.

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
Freehold property	- 50 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

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 company. 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.

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 based 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 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.

2.11 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.

2.12 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 the Statement of Comprehensive Income. 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.

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank 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 the Statement of Comprehensive Income 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 the Statement of Comprehensive Income 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 the Statement of Comprehensive Income using the effective interest method.

Finance costs are charged to the Statement of Comprehensive Income 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.

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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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.

4. Turnover

	2022 £	2021 £
Match receipts, prize money and player loans	5,164,486	3,268,695
Merchandise and programmes	515,928	394,861
Sponsorships and advertising	803,259	487,499
Food and beverage, conferencing and events	960,064	-
Donations and sundry income	188,826	329,995
Youth development income	508,715	553,100
	8,141,278	5,034,150

All turnover arose in the United Kingdom. Included in Donations and sundry income above is £67,570 raised by the Dons Draw, a small lottery operated by the Dons Trust to raise funds directly to support the Academy. A further £46,183 relates to donations raised by We are Wimbledon Fund to support the club's playing budget.

5. Operating loss

The operating loss is stated after charging / crediting:

	2022 £	2021 £
Auditor's remuneration - audit of the company	6,000	3,000
Auditor's remuneration - audit of subsidiary undertakings	42,000	30,400
Depreciation - owned tangible fixed assets	705,711	116,201
Depreciation - leased tangible fixed assets	8,846	681
Amortisation - intangible fixed assets	122,563	116,885
Ground licence rentals	10,000	-
Other income – COVID-19 support grants	(6,000)	(147,824)
Other income – insurance claim	(16,750)	(34,853)

6. Administrative expenses

Included within administrative expenses are exceptional costs of £152,606 (2021 - £92,579), which relate to consultancy, legal and professional fees incurred, in addition to initial one-off purchases required, in relation to the construction and opening of the new stadium. These items are non-capital and non-recurring in nature.

7. Employees

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	4,077,133	3,118,723
Player and football staff expenses	39,581	45,883
Social security costs	372,308	299,694
	4,489,022	3,464,300

7. Employees (continued)

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

	2022 No.	**2021 No.**
Football staff (including Scholars and Development Squad)	63	52
Bar and other part-time staff	8	-
Administration	27	24
Academy staff	27	28
	125	104

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 fundamental, particularly on a match day to ensure that everything runs smoothly in addition to many other volunteers work during the week.

8. Directors' remuneration

	2022 £	**2021 £**
Directors' emoluments	133,488	131,750
Company pension contributions to defined contribution scheme	2,202	1,315
Amount paid to third parties in respect of a director's services	-	-
	135,690	133,065

The number of directors for whom retirement benefits are accruing under defined contribution schemes amount to two (2021: one).

The highest paid director received remuneration of £91,750 (2021: £91,750)

9. Interest receivable

	2022 £	**2021 £**	**2**
Bank interest receivable	139	5,662	1,

10. Interest payable and similar charges

	2022 £	**2021 £**
Bank loan	363,184	221,890
Finance leases	17,045	9,185
Loan from ultimate parent company	226,413	144,165
	606,642	375,240

11. Tax on ordinary activities

	2022 £	2021 £
Current Tax		
Tax charge for the year	-	-
Adjustment in respect of prior years	(305,190)	-
Total tax (credit)/charge	(305,190)	-

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:

	2022 £	2021 £
(Loss) on ordinary activities before tax	(736,013)	(1,502,944)
(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021 – 19.00%)	(139,842)	(285,559)
Effects of:		
Capital allowances in excess of depreciation for year	(327,236)	(566,411)
Non-taxable income less expenses not deductible for tax purposes	(37,777)	(35,315)
Disallowed expenses	7,432	8,973
Losses carried forward	497,423	878,312
Adjustment in respect of prior periods	(305,190)	-
Total tax (credit) / charge for the year	-	-

Factors that may affect future tax charges

A change in the main UK corporation tax rate was substantively enacted on 24 May 2021. From 1 April 2023 the main corporation tax rate will increase from 19% to 25% on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. Where the profits of UK companies fall between £50,000 and £250,000, the lower and upper limits, they will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate. This will increase the group's future tax charge accordingly.

A deferred tax asset has not been recognised in the financial statements in respect of £6,836,473 (2021 – £5,473,409) of tax losses and other timing differences as, on the available evidence, it does not meet the recognition criteria as stipulated by Section 29 of FRS 102.

12. Intangible assets

Group

	Player registrations £	Computer licenses £	Total £
Cost			
At 30 June 2021	143,776	184,292	328,068
Additions	100,681	-	100,681
Disposals in the year	(19,408)	-	(19,408)
At 30 June 2022	225,049	184,292	409,341
Amortisation			
At 30 June 2021	127,760	54,400	182,160
Charge for the year	85,705	36,858	122,563
Disposals in the year	(19,408)	-	(19,408)
At 30 June 2022	194,057	91,258	285,315
Net book value			
At 30 June 2021	16,016	129,892	145,908
At 30 June 2022	30,992	93,034	124,026

13. Tangible fixed assets

Group

	Freehold property	Motor vehicles	Plant and machinery	Computer equipment	Furniture and fixtures	Total
	£	£	£	£	£	£
Cost or valuation						
At 30 June 2021	31,735,847	17,462	49,044	79,075	8,332	31,889,760
Additions	1,719,430	16,798	75,252	11,409	91,069	1,913,958
At 30 June 2022	33,455,277	34,260	124,296	90,484	99,401	33,803,718
Depreciation						
At 30 June 2021	104,859	11,642	43,114	79,075	8,332	247,022
Charge for the year	664,182	5,821	18,934	2,852	22,767	714,556
At 30 June 2022	769,041	17,463	62,048	81,927	31,099	961,578
Net book value						
At 30 June 2021	31,630,988	5,820	5,930	-	-	31,642,738
At 30 June 2022	32,686,236	16,797	62,248	8,557	68,302	32,842,140

The net book value of tangible fixed assets includes an amount of £242,427 (2021 - £203,692) in respect of assets held under finance leases.

14. Fixed asset investments

Subsidiary undertakings:

The following were all 100% subsidiary undertakings of the company at 30 June 2022:

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	Football stadium ownership
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
AFC Wimbledon Community Limited	England and Wales	Ordinary	Dormant entity

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 and AFC Wimbledon Community Limited, thus entitling them to exemption from a statutory audit under section 479A of the Companies Act 2006.

Company

Investments in subsidiary companies	**2022** **£**	**2021** **£**
Cost	106	104
Net book value	106	104

15. Stocks

	Group 2022 £	**Group 2021 £**	**Company 2022 £**	**Company 2021 £**
Goods for resale - merchandise	104,101	146,437	-	-

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

16. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	598,184	279,694	-	-
Amounts owed by group undertakings	-	-	19,135,617	13,398,218
Other debtors	119,937	40,914	113,000	-
Other taxes and social security	-	27,262	-	-
Prepayments and accrued income	208,311	216,065	-	-
	926,432	563,935	19,248,617	13,398,218

All amounts shown under debtors fall due for payment within one year, except for £49,327 (2021 - £Nil) which is due in August 2023. The impairment loss recognised in the group profit and loss for the year in respect of bad and doubtful trade debtors was £39,118 (2021 – £23,000). The reversal of impairment loss recognised in the company profit and loss for the year in respect of bad and doubtful debtors was £548,214 (2021 an impairment loss of £792,558).

17. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	2,729,573	1,982,421	-	-

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Loans - unsecured (note 20)	66,252	64,615	-	-
Loans - secured (note 20)	-	3,486,845	-	-
Finance leases (note 21)	68,308	53,971	-	-
Trade creditors	508,643	211,787	-	-
Amounts owed to ultimate parent company (note 19)	155,011	4,839	155,011	4,839
Amount owed to subsidiary company	-	-	3	1
Other taxes and social security	86,229	124,528	-	-
Other creditors	209	153,030	-	149,994
Accruals and deferred income	1,848,924	1,903,528	-	-
	2,733,576	6,003,143	155,014	154,834

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Loans - unsecured (note 20)	603,074	-	500,000	-
Loans - secured (note 20)	-	168,185	-	-
Finance leases (note 21)	101,290	126,044	-	-
Amounts owed to ultimate parent company	9,646,488	5,943,865	9,646,488	5,943,865
Accruals and deferred income	1,864,624	1,095,808	-	-
	12,215,476	7,333,902	10,146,488	5,943,865

Total amounts due to the ultimate parent company were £9,801,499 (2021 – £5,948,704), which attract an interest at an average rate of 3.87%. These amounts principally relate to the Dons Trust Bond and Plough Lane Bond which were onward lent to the group. Interest charged on the Dons Trust Bond and Plough Lane Bond balances in the year amounts to £226,413 (2021 – £144,165).

Included in accruals and deferred income falling due after more than one year is an unamortised grant of £518,947 (2021 – £219,744) received in respect of leasehold improvements.

20. Loans

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due:				
Within one year	66,252	3,551,460	-	-
Between one and two years	566,789	67,340	500,000	-
Between two and five years	17,196	80,820	-	-
In more than five years	19,089	20,025	-	-
	669,326	3,719,645	500,000	-

On 25 March 2020, AFC Wimbledon Limited agreed an unsecured loan with The Football League Limited for £182,800. The loan attracts an interest rate of 0% per annum and is due to expire in June 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 2030.

On 29 April 2022, AFCW PLC agreed an unsecured loan note with Cherry Red Records Limited for £500,000. The loan attracts an interest rate of 6% per annum and is due to expire in December 2023.

21. Finance leases

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due:				
Within one year	68,308	53,971	-	-
Between one and five years	101,290	126,044	-	-
In more than five years	-	-	-	-
	169,598	180,015	-	-

22. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	3,447,694	2,303,029	19,248,617	13,398,218
Financial liabilities				
Financial liabilities measured at amortised cost	(11,859,334)	(10,404,627)	(10,301,502)	(6,098,698)

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.

23. Share capital

	2022 £	2021 £
Authorised		
23,070,849 - Ordinary shares of £0.01 each	230,708	223,429
20,813,715 - Ordinary A shares of £0.01 each	208,137	208,137
	438,845	431,566
Allotted, called up and fully paid		
23,070,849 (2021 – 22,342,911) - Ordinary shares of £0.01 each	230,708	223,429
9,047,697 (2021 – 8,443,300) - Ordinary A shares of £0.01 each	90,477	84,433
	321,185	307,862

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 28 June 2022, the company allotted 649,171 ordinary A shares of £0.01 each and 727,938 ordinary shares of £0.01 each, both for a consideration of £0.83 per share.

24. Capital and reserves

The group's and company'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.

25. Related party transactions

During the year, the company agreed a £500,000 unsecured loan note with a company for which one of the company's directors is also a director of. In addition, the group received sponsorship income for the year of £233,333 (2021 - £33,333) from this company, with a further £433,333 (2021 - £66,666) of deferred income received in respect of future years.

During the year, the group paid for a number of transactions on behalf of AFC Wimbledon Foundation, an independent charity which has one director who was also a director of AFCW PLC in the year. The total of such transactions during the year was £572,249 (2021 - £404,703) and the amount outstanding at 30 June 2022 was £43,755 (2021 - £35,152).

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

26. Net debt reconciliation

	1 July 2021 £	Cash flows £	New finance leases £	Other non-cash changes £	30 June 2022 £
Cash at bank and in hand	1,982,421	747,152	-	-	2,729,573
Finance lease obligations	(180,015)	75,041	(47,579)	(17,045)	(169,598)
Loans	(3,719,645)	3,369,643	-	(319,324)	(669,326)
Amounts due to parent	(5,948,704)	(3,760,298)	-	(92,497)	(9,801,499)
Net debt	(7,865,943)	431,538	(47,579)	(428,866)	(7,910,850)

Non-cash changes relate to movements in the accrued interest rolled up into the respective debt balances.

27. 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.

28. Subsequent events

Subsequent to year-end, in August 2022, the club repaid £360k in relation to the £500k loan note from a related party for which one of the company's directors is also a director of. In addition, in July 2022 the club sold Archie Stevens to Rangers and in August 2022 sold Jack Rudoni to Huddersfield and Luke McCormick to Bristol Rovers for undisclosed fees.