

Registered number: NI606861

LINFIELD FOOTBALL CLUB LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2018

LINFIELD FOOTBALL CLUB LIMITED
REGISTERED NUMBER: NI606861

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	2,825,030	586,252
Investments	5	3,675,000	3,140,000
		<u>6,500,030</u>	<u>3,726,252</u>
Current assets			
Stocks	6	43,747	35,584
Debtors: amounts falling due within one year	7	163,803	111,179
Cash at bank and in hand	8	797,254	1,203,703
		<u>1,004,804</u>	<u>1,350,466</u>
Creditors: amounts falling due within one year	9	(257,105)	(351,782)
Net current assets		<u>747,699</u>	<u>998,684</u>
Total assets less current liabilities		<u>7,247,729</u>	<u>4,724,936</u>
Provisions for liabilities			
Deferred tax	11	(1,062,800)	(564,000)
		<u>(1,062,800)</u>	<u>(564,000)</u>
Net assets		<u><u>6,184,929</u></u>	<u><u>4,160,936</u></u>
Capital and reserves			
Called up share capital	12	8	8
Other reserves	13	5,886,555	3,673,423
Profit and loss account	13	298,366	487,505
		<u>6,184,929</u>	<u>4,160,936</u>

LINFIELD FOOTBALL CLUB LIMITED
REGISTERED NUMBER: NI606861

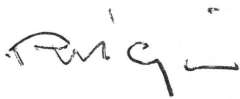
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

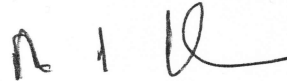
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 March 2019.



Mr RA McGivern - (Chairman)
Director



Mr RJ Johnson
Director

The notes on pages 3 to 13 form part of these financial statements.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Linfield Football Club Limited is a private company limited by shares. The company is incorporated in Northern Ireland and has the company number NI606861. The registered office address and principal place of business is Windsor Park, Donegall Avenue, Belfast BT12 6LW. The principal activities of the company are to operate a semi professional football club in Northern Ireland and related commercial activities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£). The level of rounding is £1.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Supporters donations are included in full when received, all other income is included on an accruals basis. Similarly all expenditure is accounted for on an accruals basis.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.3 Intangible assets

The company does not capitalise any amounts paid for player registrations as, in the opinion of the directors, the values involved within Irish League Football are immaterial. Consequently any transfer fees, registration costs etc are written off in the year of expenditure and similarly any fees received are credited to profit and loss account in the year of receipt.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model 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.

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.

Depreciation is provided on the following basis:

Land	- Not depreciated
Buildings	- 20% Straight line
Plant and equipment	- 10%, 20% & 33.33% Straight line

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.

2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.6 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. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

2.7 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.

2.8 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.

2.9 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.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.11 Finance costs

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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 55 (2017 - 51).

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Land £	Buildings & leasehold interest £	Plant and equipment £	Total £
Cost or valuation				
At 1 January 2018	81,300	462,000	58,895	602,195
Additions	-	58,768	9,818	68,586
Revaluations	161,700	2,015,232	-	2,176,932
At 31 December 2018	<u>243,000</u>	<u>2,536,000</u>	<u>68,713</u>	<u>2,847,713</u>
Depreciation				
At 1 January 2018	-	-	15,943	15,943
Charge for the year on owned assets	-	-	6,740	6,740
At 31 December 2018	<u>-</u>	<u>-</u>	<u>22,683</u>	<u>22,683</u>
Net book value				
At 31 December 2018	<u>243,000</u>	<u>2,536,000</u>	<u>46,030</u>	<u>2,825,030</u>
At 31 December 2017	<u>81,300</u>	<u>462,000</u>	<u>42,952</u>	<u>586,252</u>

The land and buildings are situated at Donegall Avenue, Belfast BT12 6LW and held part freehold and part long leasehold.

With effect from 8 May 2014 the assets on the 'Windsor Park' land were transferred together with certain other plant and equipment, to I F A Stadium Development Company Limited. The remaining land value relates to Midgley Park.

The leasehold interests represent a 51 year shop lease (Market Value £220,000) and a 51 year office lease (Market Value £385,000) and were valued at 31 December 2018. It also represents a long leasehold with Midgley Park (Market Value £2,174,000). They were both valued by an independent valuer, Mr Robert Watson FRICS ACI Arb.

LINFIELD FOOTBALL CLUB LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Land	243,000	81,300
Buildings & Leasehold interest	2,536,000	462,000
	2,779,000	543,300
	2,779,000	543,300

5. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 January 2018	3,140,000
Revaluations	535,000
	3,675,000
At 31 December 2018	3,675,000

With effect from 8 May 2014 Linfield Football Club Limited granted I F A Stadium Development Company Limited a 51 year lease of the lands and surrounds on which Windsor Park Stadium stands. The rent is £214,000 per annum subject to four year reviews. The lease was last valued at 31 December 2018 on market value basis by an independent valuer, Osborne King. The directors are content that the valuation is appropriate.

6. Stocks

	2018 £	2017 £
Shop stock	43,747	35,584
	43,747	35,584
	43,747	35,584

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Debtors

	2018 £	2017 £
Trade debtors	32,598	39,729
Other debtors	75,212	43,517
Prepayments and accrued income	8,778	7,323
Amounts receivable from player transfers	8,615	20,610
Intangible assets - players	-	-
Intangible assets - other	-	-
Tax assets	38,600	-
Amounts receivable from group entities and other related parties	-	-
	<u>163,803</u>	<u>111,179</u>

An impairment gain of £1,152 (2017: Loss of £3,334) was recognised against trade debtors.

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	797,254	1,203,703
	<u>797,254</u>	<u>1,203,703</u>

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	-	-
Trade creditors	133,493	112,991
Amounts payable to employees	-	-
Amounts payable to group entities and other related parties	-	-
Due to Northern Ireland Football League	4,000	5,500
Amounts payable relating to player transfers	-	1,500
Corporation tax	-	20,050
Other taxation and social security	49,836	45,238
Other creditors	36,461	85,897
Accruals and deferred income	33,315	80,606
	<u>257,105</u>	<u>351,782</u>

10. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>797,254</u>	<u>1,203,703</u>

Financial assets measured at fair value through profit or loss comprise of cash in bank and hand.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Deferred taxation

	2018 £	2017 £
At beginning of year	(564,000)	(476,000)
Charged to revaluation reserve	(498,800)	(88,000)
At end of year	(1,062,800)	(564,000)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Valuation of property	(1,062,800)	(564,000)
	(1,062,800)	(564,000)

12. Share capital

	2018 £	2017 £
Authorised, allotted, called up and fully paid		
8 (2017 - 8) Ordinary share shares of £1.00 each	8	8

13. Reserves

Other reserves

The other reserves includes:

- the valuation of the leases of The Windsor Park Stadium, shop and offices and land at Midgley Park; and
- reserves arising on the takeover of the assets, liabilities and business of Linfield Football Club on 1 January 2012.

Profit and loss account

Includes all current and prior year retained profits and losses.

LINFIELD FOOTBALL CLUB LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 28 March 2019 by Jonathan R Bethel (Senior statutory auditor) on behalf of Miscampbell & Co.