

Registered number: 00046572

**ASTON VILLA LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MAY 2022**



# **ASTON VILLA LIMITED**

## **CONTENTS**

	Page(s)
<b>Company Information</b>	1
<b>Strategic Report</b>	2 - 3
<b>Directors' Report</b>	4 - 5
<b>Independent Auditors' Report to the Members of Aston Villa Limited</b>	6 - 8
<b>Statement of Comprehensive Income</b>	9
<b>Balance Sheet</b>	10
<b>Statement of Changes in Equity</b>	11
<b>Notes to the Financial Statements</b>	12 - 22

**ASTON VILLA LIMITED**

**COMPANY INFORMATION**

**Directors**

W R Edens  
C M C Purslow  
N Sawiris

**Registered number**

00046572

**Registered office**

Villa Park  
Birmingham  
B6 6HE

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Chamberlain Square  
Birmingham  
B3 3AX

## **ASTON VILLA LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2022**

The directors present the Strategic Report of Aston Villa Limited (the "Company") for the year ended 31 May 2022.

#### **Principal activities**

The principal activity of the Company is as an intermediate holding company and property investment company. Its subsidiaries are involved in the operation of a professional football club in the English Premier League.

#### **Review of business**

The football season resulted in a final league place of 14th which meant the club retained its Premier League status for the 2022/23 season.

The club will compete in the Premier League for the 2022/23 season.

Turnover for the year, which is determined by trade agreements with a subsidiary undertaking, amounted to £702,000 (2021: £702,000).

The result, before taxation, amounted to a profit of £727,812 (2021: £796,556). The profit for the financial year of £516,339 (2021: £514,090) has been added to reserves.

Net assets at the year-end were £79,105,291 (2021: £78,588,952). The directors do not recommend the payment of a final dividend which results in no dividend being paid for the year (2021: £Nil).

#### **Key performance indicators ('KPIs')**

As a wholly owned subsidiary of the NSW E UK Limited group, the directors do not consider that there are any informative KPIs for the Company. A description of KPIs for the NSW E UK Limited group is included in the NSW E UK Limited's Directors' Report.

#### **Principal risks and uncertainties**

The principal risks and uncertainties of the NSW E UK Limited group are set out in the NSW E UK Limited's Strategic Report.

#### **Directors' statement of compliance with duty to promote the success of the Company**

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors acknowledge their responsibility to act in a manner that protects the interests of all stakeholders.

The Board of Directors have acted in a manner they consider most likely to promote the success of the Company for the benefit of its members and stakeholders in the decisions taken during the year.

The key relationships of the business are those with its supporters, staff, local community, commercial sponsors and governing authorities and the Company engages proactively with these stakeholders to ensure good relationships are maintained.

The relationships between the Company and other members of the Group are primarily guided by a Shareholder agreement. Further details of stakeholder engagement are set out in the Strategic Report of NSW E UK Limited Group financial statements.

#### **Streamlined Energy and Carbon Report (SECR)**

The Group Streamlined Energy and Carbon Report (SECR) are set out in the Strategic Report of NSW E UK Limited Group financial statements.

**ASTON VILLA LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MAY 2022**

This report was approved by the board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C M C Purslow', with a horizontal line underneath it.

**C M C Purslow**  
Director

Date: 27 February 2023

## **ASTON VILLA LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2022**

The directors present their annual report and the audited financial statements of Aston Villa Limited (the "Company") for the year ended 31 May 2022.

#### **Principal activities**

The principal activities of the Company are enclosed within the Strategic Report on page 2.

#### **Results and dividends**

The profit for the financial year amounted to £516,339 (2021: £514,090).

The directors have not declared or paid an interim dividend during the year (2021: £Nil). They do not recommend a final dividend (2021: £Nil).

#### **Directors**

The directors who served during the year and up to the date of signing of the financial statements were:

W R Edens  
C M C Purslow  
N Sawiris

#### **Directors' and officers' insurance**

Throughout the year and up to the date of signing of the financial statements, the Company maintains cover under a qualifying third-party indemnity for all directors and officers against liabilities which may be incurred by them whilst acting as directors or officers.

#### **Future developments**

The Company is a wholly owned subsidiary of the NSWE UK Limited group. A description of future developments for the NSWE UK Limited group is included in the NSWE UK Limited's Directors' Report.

#### **Going concern**

The directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company V Sports S.C.S.

The directors have received confirmation that V Sports S.C.S intends to support the Group and the Company for at least 12 months from the approval of these financial statements.

Further assessment of the Going concern assessment of the Group is detailed within the financial statements of NSWE UK Limited.

#### **Charitable contributions**

All fund-raising events are dealt with by the Aston Villa Foundation which is registered with the Charity Commission. There were no political contributions (2021: £Nil).

#### **Financial risk management**

The financial risk management objectives and policies of the Group are fully described in the 2022 annual report of the holding company, NSWE UK Limited.

## ASTON VILLA LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

#### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as independent auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by:



**C M C Purslow**  
Director

Date: 27 February 2023

## ASTON VILLA LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTON VILLA LIMITED

## Report on the audit of the financial statements

### Opinion

In our opinion, Aston Villa Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 May 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



## ASTON VILLA LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTON VILLA LIMITED (CONTINUED)

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 May 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

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.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Profit and Sustainability Rules (PSR) by the FA Premier League and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. 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 journal entries to improve the reported financial position or performance of the business and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with management and the in house legal team in relation to known or suspected instances of non-compliance with laws and regulation and fraud.
- Identifying and testing journal entries through a risk based approach, in particular any journal entries posted with unusual account combinations or posted by unexpected users.
- Reviewing accounting estimates for evidence of bias and validating the support behind these estimates which has been provided by management;
- Reviewing financial statement disclosures and testing to appropriate supporting documentation to assess compliance with accounting standards and applicable laws and regulations; and
- Incorporating elements of unpredictability into the nature, timing and extent of testing.

## ASTON VILLA LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTON VILLA LIMITED (CONTINUED)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Other required reporting

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Neil Philpott (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
27 February 2023

**ASTON VILLA LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAY 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Turnover	4	702,000	702,000
Administrative expenses		(767,987)	(699,336)
<b>Operating (loss)/profit</b>	5	<b>(65,987)</b>	<b>2,664</b>
Interest receivable and similar income	9	793,799	793,892
<b>Profit before taxation</b>		<b>727,812</b>	<b>796,556</b>
Tax on profit	10	(211,473)	(282,466)
<b>Profit for the financial year</b>		<b>516,339</b>	<b>514,090</b>

The notes on pages 12 to 22 form part of these financial statements.

**ASTON VILLA LIMITED**  
**REGISTERED NUMBER: 00046572**

**BALANCE SHEET**  
**AS AT 31 MAY 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	31,130,386	31,085,538
Investments	12	359,607,291	359,607,291
		<u>390,737,677</u>	<u>390,692,829</u>
<b>Current assets</b>			
Debtors	13	75,228,190	74,545,226
Creditors: amounts falling due within one year	14	(386,860,576)	(386,649,103)
		<u>(311,632,386)</u>	<u>(312,103,877)</u>
<b>Net current liabilities</b>			
<b>Total assets less current liabilities</b>		<u>79,105,291</u>	<u>78,588,952</u>
<b>Capital and reserves</b>			
Called up share capital	16	258,524,733	258,524,733
Share premium account	17	15,988,985	15,988,985
Profit and loss account	17	(195,408,427)	(195,924,766)
		<u>79,105,291</u>	<u>78,588,952</u>
<b>Total shareholders' funds</b>		<u>79,105,291</u>	<u>78,588,952</u>

The financial statements on pages 9 to 22 were approved by the Board of Directors on 27 February 2023 and signed on its behalf by:



**C M C Purslow**  
 Director

The notes on pages 12 to 22 form part of these financial statements.

**ASTON VILLA LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MAY 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Total shareholders' funds £
<b>At 1 June 2020</b>	<b>258,524,733</b>	<b>15,988,985</b>	<b>(196,438,856)</b>	<b>78,074,862</b>
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	514,090	514,090
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>514,090</b>	<b>514,090</b>
<b>At 31 May 2021 and 1 June 2021</b>	<b>258,524,733</b>	<b>15,988,985</b>	<b>(195,924,766)</b>	<b>78,588,952</b>
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	516,339	516,339
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>516,339</b>	<b>516,339</b>
<b>Balance at 31 May 2022</b>	<b>258,524,733</b>	<b>15,988,985</b>	<b>(195,408,427)</b>	<b>79,105,291</b>

The notes on pages 12 to 22 form part of these financial statements.

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 1. General information

Aston Villa Limited (the "Company") principal activity continues to be an intermediate holding company and property investment company.

The Company is incorporated and registered in England, UK. The address of its registered office is Villa Park, Birmingham, B6 6HE.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with a, the Financial Reporting Standard applicable in the UK 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 consistently throughout the year:

##### 2.2 Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of NSWE UK Limited as at 31 May 2022 and these financial statements may be obtained from Villa Park, Trinity Road, Birmingham, B6 6HE.

##### 2.3 Consolidation

The financial statements contain information about Aston Villa Limited as an individual company and do not contain consolidated financial information. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statement of its parent, NSWE UK Limited, a company incorporated in the United Kingdom.

## **ASTON VILLA LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022**

#### **2. Accounting policies (continued)**

##### **2.4 Going concern**

The directors have formed a judgement at the time of approving the financial statements that the Company has adequate resources available to continue operating and to discharge all financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company V Sports S.C.S.

The directors have received confirmation that V Sports S.C.S intends to support the Group and the Company for at least 12 months from the approval of these financial statements.

Further assessment of the Going concern assessment of the Group is detailed within the financial statements of NSW UK Limited.

##### **2.5 Functional currency**

The Company's functional and presentation currency is the pound sterling.

##### **2.6 Turnover**

Turnover represents all income arising from the ordinary activities of the Company and is determined by reference to a trading agreement with another group company. It is stated net of discounts and value added tax.

##### **2.7 Deferred grant income**

Grants and donations received in respect of safety work and ground improvements are credited to deferred grant income and are released to the Statement of Comprehensive Income over the anticipated useful life of assets to which they relate, or for as long as the Company owns the related assets.

##### **2.8 Interest income**

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

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 2. Accounting policies (continued)

##### 2.9 Current and deferred taxation

The taxation expense represents the sum of tax currently payable or recoverable and deferred taxation, and takes into account adjustments for prior periods.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to Statements of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is measured on an undiscounted basis.

##### 2.10 Tangible assets

Tangible 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 calculated on a straight-line basis to write down the assets to their estimated residual value over the anticipated useful lives, which are re-assessed on a periodic basis, at the following annual rates:

Freehold land	- Nil
Leasehold land and buildings	- 1 %
Freehold buildings	- 2 - 3%

No depreciation is provided on assets in the course of construction.

##### 2.11 Investment property

Properties held by the Company and rented to another group entity are transferred to property, plant and equipment. An Investment Property is initially recognised at cost and then measured at historic cost less accumulated depreciation.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

**2. Accounting policies (continued)**

**2.12 Investments**

The Company's investments in subsidiaries are stated at cost less any impairment provision for diminution in value. Impairment reviews are performed by the directors when there has been an indication of potential impairment

**2.13 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.

**2.14 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.

**2.15 Financial instruments**

The Company has chosen to adopt sections 11 and 12 of FRS102 in respect of financial instruments.

**Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rates of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risk and regards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**Financial liabilities**

Basic financial liabilities, including trade and other payables and amounts due to fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest.

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 2. Accounting policies (continued)

##### 2.16 Share capital and distributions to equity holders

Ordinary shares are classified as equity. Dividends and other distributions to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividend and other distributions are approved by the shareholders.

#### 3. Critical accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### a) Impairment of tangible assets

The Company will perform an impairment review on tangible assets if adverse events indicate that the amortised carrying value of the asset may not be recoverable. If such circumstances were to arise, the carrying value of the assets would be assessed against the Company's best estimate of the asset's fair value less any costs to sell.

##### b) Impairments of investments in subsidiaries

At each Balance Sheet date, the Company reviews the carrying amounts of its investments in subsidiaries to determine whether there is any indication that those investments have suffered an impairment loss. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of fair value less costs to sell and the value in use. Any impairment loss is recognised immediately as an expense and the identification of impairment triggers and subsequent impairment testing could result in a material change in the valuation of the investments in subsidiaries. The carrying amount of investments in subsidiaries at the Balance Sheet date was £359,607,291 with no impairment loss recognised in 2022 (2021: £Nil).

#### 4. Turnover

All turnover has been generated from activities in the United Kingdom.

#### 5. Operating (loss)/profit

The profit before taxation has been arrived at after charging:

	2022	2021
	£	£
Depreciation of tangible assets	<u>758,987</u>	<u>690,109</u>

**ASTON VILLA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

**6. Auditors' remuneration**

	<b>2022</b>	2021
	<b>£</b>	£
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	<b>9,900</b>	9,000

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group financial statements of the parent Company.

**7. Employees**

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

	<b>2022</b>	2021
	<b>Number</b>	Number
Director	<b>3</b>	3

**8. Directors' remuneration**

The directors were employed and remunerated by Aston Villa Football Club Limited in the year ended 31 May 2022. They did not receive any remuneration specifically for their services as directors of the Company (2021: £Nil).

**Key management compensation**

Key management personnel were remunerated for their services to the Company by Aston Villa Football Club Limited. Disclosure of these amounts is included in the financial statements of NSWE UK Limited.

**9. Interest receivable and similar income**

	<b>2022</b>	2021
	<b>£</b>	£
Other interest receivable	<b>793,799</b>	793,892

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 10. Tax on profit

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the financial year	211,473	282,466
<b>Total current tax</b>	<u>211,473</u>	<u>282,466</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%). The differences are explained below:

	2022 £	2021 £
Profit before taxation	<u>727,812</u>	<u>796,556</u>
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	138,284	151,346
<b>Effects of:</b>		
Expenses not deductible for tax purposes	141,935	128,595
Movement in unprovided deferred tax	(68,746)	2,525
<b>Total tax charge for the financial year</b>	<u>211,473</u>	<u>282,466</u>

#### Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 (published on 24 May 2021, with royal assent received on 10 June 2021). This confirmed an increase to the corporation tax rate to 25% with effect from 1 April 2023. Deferred taxes at the Balance Sheet date have been calculated based on the corporation tax rate of 25% that is enacted at the reporting date.

**ASTON VILLA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

**11. Tangible assets**

	Freehold land and buildings £	Leasehold land and buildings £	Total £
<b>Cost</b>			
At 1 June 2021	39,195,508	201,111	39,396,619
Additions	803,835	-	803,835
At 31 May 2022	<u>39,999,343</u>	<u>201,111</u>	<u>40,200,454</u>
<b>Accumulated depreciation</b>			
At 1 June 2021	8,251,504	59,577	8,311,081
Charge for the year	756,956	2,031	758,987
At 31 May 2022	<u>9,008,460</u>	<u>61,608</u>	<u>9,070,068</u>
<b>Net book value</b>			
At 31 May 2022	<u><u>30,990,883</u></u>	<u><u>139,503</u></u>	<u><u>31,130,386</u></u>
At 31 May 2021	<u><u>30,944,004</u></u>	<u><u>141,534</u></u>	<u><u>31,085,538</u></u>

**ASTON VILLA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

**12. Investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 June 2021	<b>424,305,135</b>
At 31 May 2022	<b>424,305,135</b>
<b>Provision for impairment</b>	
At 1 June 2021	<b>64,697,844</b>
At 31 May 2022	<b>64,697,844</b>
<b>Net book value</b>	
At 31 May 2022	<b>359,607,291</b>
At 31 May 2021	<b>359,607,291</b>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
Aston Villa Football Club Limited	Villa Park, Birmingham, B6 6HE	Commercial and retail operations	Ordinary	100%
Aston Villa FC Limited	Villa Park, Birmingham, B6 6HE	Professional football club	Ordinary	100%
Aston Villa Women's Football Club Limited	Villa Park, Birmingham, B6 6HE	Ladies Football Club	Ordinary	100%

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 12. Investments (continued)

##### Subsidiary undertakings (continued)

All of the subsidiary undertakings are incorporated in England and Wales. The results of the subsidiary undertakings have been consolidated in the Group financial statements.

Due to the subsidiaries recent loss making history, support required from the Company and levels of investment previously made and forecast by the board with respect to the going concern assumption, an impairment trigger has been identified and has led to management carrying out an impairment assessment. The carrying amount of investments in subsidiaries at the Balance Sheet date was £359,607,291 (2021: £359,607,291). Management have considered the Enterprise Value of investments using a Revenue Multiplier Model, which has been based on recent purchases of football clubs of a similar nature to Aston Villa. Based on this information, management applied a revenue multiplier of 2.5, resulting in a valuation of £527,200,000. Management have also assessed the squad value using third party sources, as this amount could be recovered, resulting in a valuation of £443,800,000, such that no impairment is deemed necessary. Based on management's assessment, revenues would need to fall by £67,080,000 before an impairment loss was incurred.

#### 13. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	13,728,190	13,045,226
Other loans receivable	61,500,000	61,500,000
	<u>75,228,190</u>	<u>74,545,226</u>

Amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand. Amounts owed by group undertakings are measured at amortised cost.

Other loans receivable are unsecured, repayable on demand and bear interest at rates ranging from 0% to 2%.

#### 14. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	386,640,103	386,357,637
Corporation tax	211,473	282,466
Accruals and deferred income	9,000	9,000
	<u>386,860,576</u>	<u>386,649,103</u>

Amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand. Amounts owed to group undertakings are measured at amortised cost.

## ASTON VILLA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

#### 15. Deferred taxation

A deferred tax asset has not been recognised in respect of timing differences relating to capital allowances as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £423,358 (2021: £513,814). The asset would be recovered if sufficient taxable trading profits arise in the future.

#### 16. Called up share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
5,170,494,665 (2021: 5,170,494,665) Ordinary shares of £0.05 (2021: £0.05) each	<b>258,524,733</b>	<b>258,524,733</b>

#### 17. Reserves

##### Share premium account

The share premium account represents amounts raised on the initial allotment of share capital in excess of the nominal value of shares issued, less any costs directly attributable to the issue of that share capital.

##### Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

#### 18. Related party transactions

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

At the year end, the Company had loans receivable of £56,700,000 (2021: £56,700,000) due from NSWE Stadium Ltd, a company with common ultimate beneficial ownership.

#### 19. Ultimate parent undertaking and controlling party

At 31 May 2022, the directors consider V Sports S.C.S, registered in Luxembourg, to be the Company's controlling party and ultimate parent undertaking.

The immediate parent undertaking is NSWE Sports Limited with its registered office in Villa Park, Birmingham, West Midlands, B6 6HE. The largest group to consolidate these financial statements is NSWE UK Limited and the smallest group to consolidate these financial statements is NSWE Sports Limited. Copies of these consolidated financial statements of NSWE UK Limited and NSWE Sports Limited can be obtained from their registered address at Villa Park, Birmingham, West Midlands, B6 6HE.