AFCW PLC

Report and Financial Statements

Year Ended

29 June 2017

Company Number 04764827

AFCW PLC

Company Information

Directors	M J C Breach I B Cooke R Evans D J Growns N M Higgs I R McNay J E Samuelson
Company secretary	W D Charles
Registered number	04764827
Registered office	Kingsmeadow Stadium Jack Goodchild Way Kingston upon Thames Surrey KT1 3PB
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

AFCW PLC

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AFCW PLC

Group Strategic Report
For the Year Ended 29 June 2017

The directors present their strategic report, as required by legislation, and a review of the business for the financial year ended 29 June 2017.

Business review

On the pitch

Following the success of season 2015-16 where we were promoted to League 1 via the play-offs, the season was expected to be a substantial challenge. Thanks to the promotion, additional funds became available from both the English Football League's (EFL) distribution and the Premier League (PL) solidarity payments and the Football Club Board (FCB), endorsed by the Dons Trust Board (DTB), increased the playing budget by £550,000. The competitiveness of League 1 was shown when the higher budget was still only nineteenth in a wages league table published by the EFL. Nonetheless, the management team demonstrated that they were capable of extending the tradition of Wimbledon FC by punching above our weight and the season ended with us in fifteenth place, despite a difficult patch of results as the season came to an end.

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. For the second year running the Under 18 team did extremely well in the FA Youth Cup, beating academy teams from Bristol Rovers, Huddersfield Town and Hull City before going out, rather unluckily, at Preston.

Even though the first team was bolstered by the additional spending, we retained our commitment to giving Academy graduates an opportunity to play for the first team. So it was gratifying to see Will Nightingale, Toby Sibbick and Alfie Egan staking their claims for a first team place. This is a tribute to the continued hard work of all the Academy staff and also the Development Squad which bridges the step between the under 18 team and the first team. In a younger age group, we saw Josef Bursik play for the England under 17 team that narrowly lost the European Championship Final in May.

The problem with young players getting such a high profile is that larger clubs come calling and after extensive negotiations Josef was transferred to Stoke City for a substantial fee. This happened shortly after the year end and so the fee for his transfer is not reflected in these accounts. There were, however, transfers out during the season most notably when a tribunal settled the fee for another international goalkeeper, Will Mannion, who was also an Academy graduate and an England under 19 'keeper. Will had moved to Hull City the previous Summer after completing his scholarship with us. Because he had chosen not to accept a professional contract our negotiating position was much less strong than for Josef; nonetheless, we held out for an appropriate fee. Eventually, the case went to a tribunal which concluded that we should receive £100,000. We had a full and fair hearing and the compensation that was awarded was in line with the rules for such circumstances but when we compare it with the much higher fee we received for Josef, who was two years younger and therefore less experienced, it suggests that the formula needs revisiting. The other substantial transfer fee we received for an Academy graduate was Ryan Sweeney who went to Stoke City in 2016 after breaking into our first team.

Rather than accept fees for their transfers, we would prefer to see our young players come through and establish themselves in the first team, but with larger clubs willing to pay substantial premiums we will not always be able to do so. Nonetheless, in the season that is currently underway it is good to see Will Nightingale established as a first choice centre back and other young players such as Egli Kaja and Anthony Hartigan getting several starts in League 1.

Stadium developments

In December 2015 Merton Council unanimously approved a planning application for a new stadium with a capacity of 20,000, plus an associated development, on a site in Plough Lane. On 13 December 2017 protracted negotiations were completed and the s106 agreement was signed. Following the signing, Merton Council issued the official planning decision notice which represents final planning permission. As a result, we are now committed to building the first stage (with a capacity of between 9,000 and 10,000) of a 20,000 stadium. This stadium will largely be funded by means of a £14m contribution from Galliard Homes, with whom we made a joint planning application for the site, the proceeds of the sale of Kingsmeadow, our current stadium, with the balance to be financed from borrowings.

The new stadium will be held by a newly-formed company, The Wider Interests of Football Limited (TWIOF), a new subsidiary which is 100% owned by this company. If all goes to plan it is likely the land on which the new stadium is to be built will be transferred to TWIOF in the Summer of 2018 and construction of the new stadium will then start. It is this which will be occupying the boards of the company, its fellow subsidiaries and its parent companies over the coming months.

Sale of our current stadium

On 27 May 2016 the company's subsidiary, AFCW Stadium Ltd, exchanged contracts with Chelsea Football Club Limited for the sale of The Cherry Red Records Stadium, Kingsmeadow. The sale is subject to a number of Conditions Precedent ('CP') and will not become final until all the CPs are met. The board specified that the sale should not become final until we were very confident that a new stadium would be built in Plough Lane. Therefore one of the CPs requires that the land on which the stadium will be built must be transferred to TWIOF before the sale is complete.

In May 2017 Chelsea Football Limited made an initial payment of £600,000 to AFC Wimbledon Limited in connection with the sale of the stadium. In the event that the contract is terminated 'a termination payment' equal to the £600,000 must be repaid to Chelsea.

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

Well before reaching agreement to sell Kingsmeadow both the football club and the Dons Trust boards were very aware of the likely impact on Kingstonian. After extensive discussions, the boards concluded that it was important and morally right to help Kingstonian secure their future by making a further substantial donation upon completion of the sale of the stadium. The nature of the agreements meant that this donation, for £1m, must be accrued for in these financial statements. This donation is being funded from the profit from the sale of Kingsmeadow. However, accounting rules specify that the profit is not eligible to be included in these accounts. The result is that, in the view of the directors, these accounts give a somewhat distorted view of the company's underlying financial health and the strength of its balance sheet. This will be remedied when the sale is completed which is currently expected to be in the Autumn of 2018.

Financial position

Turning to our day-to-day finances the underlying result was an operating profit of just over £57,000, but this was converted into a loss by the combined payments to Kingstonian FC, as described in the previous paragraphs.

In season 2016-17, we had very good attendances, averaging comfortably over 4,400 for League games. We also received increased income from the EFL and the PL solidarity payments following our promotion to League 1. Taken with a profit of £355,000 from transfers of player registrations (much of which was certain at the time we were finalising the budget) we felt able to increase the playing budget.

Looking to the future we also invested some of the increased income in our infrastructure and started a project to implement a contact relationship management (CRM) system to consolidate various databases of PLC shareholders, DT members, season ticket holders, fans' register members and several other smaller databases. This investment of over £50,000 in capital spending, plus approximately the same amount in operational costs, was much needed and is an essential precursor to operating a bigger stadium. The CRM system is now almost fully operational with only one or two smaller databases to integrate over the coming months. Our focus now is to make small but important changes to make it as user-friendly as possible. We expect to see the fruits of this investment over the coming seasons.

In addition to this investment in our infrastructure, we also spent over £100,000 on further developing our plans for a new stadium. As in previous years those costs did not adversely affect the result for the year because it continued to be appropriate to capitalise them. In total, this brought our investment in the new stadium since season 2013-14 to over £1,000,000, although only about £700,000 of that amount has been carried forward in the balance sheet due to the way that accounting rules apply to such developments.

The turnover for the year was about £740,000 higher than the previous year. The major reason for the increase was additional central funding from the EFL and the PL solidarity payments which also reflected the extra payments following promotion to League 1. As a result, these payments were just over £600,000 higher than in the previous year. Sponsorships and advertising were over £80,000 higher than 2015-16 thanks to a concerted drive by Ivor Heller and his Commercial team. Meanwhile, our Youth Development income reflected increased central funding in its increase of over £90,000. Merchandise and programmes were £50,000 down on the previous year, where we had benefitted directly from the effects of the play-offs while bar and associated income was marginally down from the previous year.

Note 6 shows that wages were, in total, £275,000 higher than the previous year. The underlying increase was, in fact, rather more than this because the comparative figures include substantial bonuses paid to the players and management on achieving promotion. After stripping those out the increase in the football wages budget was £550,000; in other words we spent most of the increase in central funds to try to secure our place in League 1.

At first sight the Academy is a net cost to the Club but this is before taking into account income from transfer fees in the year. In addition to Will Mannion and Ryan Sweeney we also received fees for three other boys in the year. In one case a young player decided he wanted to pursue his career elsewhere; in the other two cases under the rules for players under the age of 14 we were obliged to agree to approaches from other clubs for a pre-determined fee laid down by the rules governing such matters for clubs in the Elite Player Performanc Plan which is substantially funded by the PL. During the year we entered into an agreement with Southfields Academy to provide a BTech course for our scholars. This has started extremely well and we look forward to a long-term relationship with them.

In the balance sheet the most significant changes are the inclusion of the £1m liability to Kingstonian, without which creditors would have fallen by over £440,000, and the capitalisation of £180,000 of loans from Wimbledon Football Club Supporters Society (The Dons Trust or DT). Cash balances fell by £285,000 reflecting the reduction in creditors and the further investment in the new stadium design.

It is important to note that although season tickets and deferred income are shown as current liabilities they will not, by their nature, lead to a cash outflow in 2017-18; instead they will be released to income over the year or years to which they relate.

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 of these elements into account.

Strategic risks

The Club's and Trust's strategy to date has been driven by three key elements: retention of fans' ownership; promotion into the Football League; and a return to Merton, specifically Wimbledon, in a new stadium. The first of these continues to be in place, we are in our sixth season in the League, and we now very close to achieving the third. As the prospect of moving to a new stadium increases, the two boards are giving greater attention to project plans, financing and continuity of key staff.

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

People risks

Part of the preparation for transition referred to above is making sure that any transition of people is also carefully managed. With this in mind and following the year end, the DT board recruited Joe Palmer as our Chief Operating Officer. He will assume responsibility across a wide area, allowing the Chief Executive to focus on delivering the new stadium. We are planning further increases in staff numbers as we prepare for a future in a new stadium.

Financing risks

There are financial risks involved in being a fan-owned club as, despite some very generous fans, the majority of our income has to be earned from our own resources. This means that we are more exposed than many clubs to the adverse financial consequences if we were to be relegated from the English Football League. Relegation to League 2 would obviously not be welcome but the board is satisfied that finances are sufficiently robust to manage it, should that happen. We deal with this risk by not over-extending ourselves on long term commitments in players' contracts and by carrying out regular cash flow forecasting to make sure that if the worst were to happen we would manage.

With a new stadium we will assume new financial risks, in raising the amount necessary to bridge the gap between the cost of the new stadium and the funds we will raise from the associated enabling development and the sale of our current stadium. The cost of the stadium and the sources of finance have been subject to regular review and reporting to the DTB, while a detailed operating budget for the new stadium has been prepared and includes updated input from external consultants on the likely demand for the expanded conferencing and banqueting facilities. In addition, independent advice has been sought to ensure that there are no unexpected tax liabilities arising from the various transactions.

Reputational risks

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

We believe that we are a particularly welcoming club and new visitors frequently comment on the friendly atmosphere on matchdays. Nonetheless, we remain alert to the reputational damage that can be done by one-off events and so we 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 football club board members. These discussions are reinforced by weekly operational meetings and key issues are elevated to the Trust Board for feedback and guidance.

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 produced each month, updated for the latest developments, and reported regularly to the Trust board.

Once a season is underway the finances are largely predictable, with season tickets paid for and corporate sponsorships already sold (and, by and large, collected). The major factor that then affects the results is attendances, since they directly affect areas such as bars, merchandise sales etc. A table of attendances, including comparisons to the pre-season estimates, is regularly produced and reviewed by the Club 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. Monthly accounts are produced and reviewed by the Club's board and substantial anomalies are investigated. However, 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 15 March 2018 and signed on its behalf by.

J E Samuelson
Director

AFCW PLC

Directors' Report
For the Year Ended 29 June 2017

The directors present their report and the financial statements for the year ended 29 June 2017.

Principal activity

The principal activities of the group throughout the year were those of an association football club and related leisure services, including operating bars, catering and functions.

Results and dividends

The loss for the year, after taxation, amounted to £1,113,385 (2016 – loss £99,336). The directors do not propose payment of a final dividend (2016 - £Nil).

Directors

The directors who served during the year were:

M J C Breach
I B Cooke
R Evans
D J Growns
N M Higgs
I R McNay
J E Samuelson

Future developments

The Group Strategic report talks at length about the planned move to a new stadium, the associated risks and the steps that the Club and Trust boards are taking to manage the risks. Along with this, will be the sale of The Cherry Red Records Stadium here at Kingsmeadow, but our tenure here is assured until we are due to move out to occupy the new stadium.

It is likely that the structure of the Club's board will need to change to meet the challenge of a larger stadium with substantial facilities for earnings from non-football activities. The issues arising from that challenge and the different skills that will be needed are under active review by the Club and Trust boards. It is right that risks are assessed and monitored and steps taken to mitigate them, but it is also right to remember that a move will give the Club a massive boost and this next phase is something to be excited about, not feared.

Disclosure of information to the auditor

Each of the persons who are directors at the time when 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 and the group'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 and the group's auditor is aware of that information.

Auditors

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 15 March 2018 and signed on its behalf.

J E Samuelson
Director

Directors' Responsibilities Statement
For the Year Ended 29 June 2017

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group financial statements and then apply them consistently;
- make 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 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AFCW PLC

Opinion

We have audited the financial statements of AFCW PLC ("the Parent Company") and its subsidiaries ("the Group") for the period ended 29 June 2017 which comprise the consolidated statement of comprehensive income, consolidated and parent company statements of financial position, consolidated and parent 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..

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 29 June 2017 and of the Group's loss for the period then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AFCW PLC (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AFCW PLC (CONTINUED)

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Ian Clayden (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
15 March 2018

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

AFCW PLC

Registered number:04764827

Consolidated Statement of Comprehensive Income
For the Year Ended 29 June 2017

	Note	2017 £	2016 £
Turnover	4	4,875,735	4,135,042
Cost of sales		4,477,243	3,686,911
Gross profit		398,492	448,131
Administrative expenses		(696,431)	(627,123)
Operating (loss) before gain on disposal of players' registrations and exceptional items	5	(297,939)	(178,992)
Gain on disposal of players' registrations		355,000	100,000
Operating profit/(loss) before exceptional item relating to termination of Kingstonian licence and related donations		57,061	(78,992)
Exceptional item – termination of Kingstonian licence and donations	6	(1,150,000)	-
Group operating (loss) before interest and tax		(1,092,939)	(78,992)
Interest receivable and similar income	8	1,231	960
Interest payable and expenses	9	(21,677)	(21,304)
Loss on ordinary activities before taxation		(1,113,385)	(99,336)
Tax	10	-	--
(Loss) for the year		(1,113,385)	(99,336)
Other comprehensive income		-	-
Total comprehensive income for the year		(1,113,385)	(99,336)
Attributable to:			
Owners of the parent company		(1,113,385)	(99,336)

All the above results relate to continuing operations.

The notes on pages 19 to 33 form part of these financial statements.

AFCW PLC
Registered number:04764827

Consolidated Statement of Financial Position
As at 29 June 2017

	Note		2017 £		2016 £
Fixed assets					
Intangible assets	11		30,733		36,030
Tangible assets	12		3,668,173		3,708,713
			3,698,906		3,744,743
Current assets					
Stocks	14	132,860		277,008	
Debtors: amounts falling due within one year	15	1,061,905		961,408	
Cash at bank and in hand	16	428,947		713,625	
		1,623,712		1,952,041	
Creditors: amounts falling due within one year	17	2,792,414		2,461,120	
Net current liabilities			(1,168,702)		(509,079)
Total assets less current liabilities			2,530,204		3,235,664
Creditors: amounts falling due after more than one year	18		1,355,138		1,127,216
Net assets			1,175,066		2,108,448
Capital and reserves					
Called up share capital	21		240,720		237,720
Share premium account			2,316,852		2,139,852
Profit and loss account			(1,382,504)		(269,124)
Shareholders' funds			1,175,066		2,108,448

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 March 2018

I R McNay
Chairman

J E Samuelson
Director

The notes on pages 19 to 33 form part of these financial statements.

AFCW PLC
Registered number:04764827

Company Statement of Financial Position
As at 29 June 2017

	Note		2017 £		2016 £
Fixed assets					
Investments	13		103		3
Current assets					
Debtors: amounts falling due within one year	15	3,020,771		2,867,163	
Cash at bank and in hand	16	3,832		7,290	
		3,024,603		2,874,453	
Creditors: amounts falling due within one year	17	130,581		318,529	
Net current assets			2,894,022		2,555,924
Total assets less current liabilities			2,894,125		2,555,927
Creditors: amounts falling due after more than one year	18		374,704		214,461
Net assets			2,519,421		2,341,466
Capital and reserves					
Called up share capital	21		240,720		237,720
Share premium account			2,316,852		2,139,852
Profit and loss account			(38,151)		(36,106)
Shareholders' funds			2,519,421		2,341,466

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 loss for the parent company of £2,045 (2016: loss of £1,581)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 March 2018.

I R McNay
Chairman

J E Samuelson
Director

The notes on pages 19 to 33 form part of these financial statements.

Consolidated Statement of Changes in Equity
For the Year Ended 29 June 2017

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	237,720	2,139,852	(269,119)	2,108,451
Comprehensive income for the year				
(Loss) for the year	-	-	(1,113,385)	(1,113,385)
Total comprehensive income for the year	-	-	(1,113,385)	(1,113,385)
Contributions by and distributions to owners	-	-	-	-
Shares issued during the year	3,000	177,000	-	-
Total transactions with owners	3,000	177,000	-	180,000
At 29 June 2017	240,720	2,316,852	(1,382,504)	1,175,066

The notes on pages 19 to 33 form part of these financial statements.

AFCW PLC

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2016

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	237,720	2,139,852	(169,788)	2,207,784
Comprehensive income for the year				
(Loss) for the year	-	-	(99,336)	(99,336)
Total comprehensive income for the year	-	-	(99,336)	(99,336)
Contributions by and distributions to owners	-	-	-	-
Shares issued during the year	-	-	-	-
Total transactions with owners	-	-	-	-
At 30 June 2016	237,720	2,139,852	(269,124)	2,108,448

The notes on pages 19 to 33 form part of these financial statements.

AFCW PLC

Company Statement of Changes in Equity
For the Year Ended 29 June 2017

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	237,720	2,139,852	(36,106)	2,341,466
Comprehensive income for the year				
(Loss) for the year	-	-	(2,045)	(2,045)
Total comprehensive income for the year	-	-	(2,045)	(2,045)
Shares issued during the year	3,000	177,000	-	180,000
Total transactions with owners	3,000	177,000	-	180,000
At 29 June 2017	240,720	2,316,852	(38,151)	2,519,421

The notes on pages 19 to 33 form part of these financial statements.

Company Statement of Changes in Equity
For the Year Ended 29 June 2016

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	237,720	2,139,852	(34,525)	2,343,047
Comprehensive income for the year				
(Loss) for the year	-	-	(1,581)	(1,581)
Total comprehensive income for the year	-	-	(1,581)	(1,581)
Shares issued during the year	-	-	-	-
Total transactions with owners	-	-	-	-
At 29 June 2017	237,720	2,139,852	(36,106)	2,341,466

The notes on pages 19 to 33 form part of these financial statements.

AFCW PLC

Consolidated Statement of Cash Flows
For the Year Ended 29 June 2017

	2017	2016
	£	£
Cash flows from operating activities		
(Loss) for the financial year	(1,113,385)	(99,336)
Adjustments for:		
Amortisation of intangible assets	116,802	36,030
Depreciation of tangible assets	155,897	142,216
Profit on disposal of player registrations	(355,000)	(100,000)
Decrease/(increase) in stocks	144,148	(156,856)
Interest payable	21,677	21,304
Interest receivable	(1,231)	(960)
Amortisation of grants	(10,157)	(10,986)
Decrease/(increase) in debtors	3,211	(136,366)
(Decrease)/increase in creditors	648,410	935,416
Net cash generated from operating activities	(389,628)	630,462
Cash flows from investing activities		
Purchase of intangible fixed assets	(111,505)	(62,060)
Purchase of tangible fixed assets	(115,357)	(14,340)
Capitalised stadium development costs	(103,708)	(450,452)
Disposal of player registrations	355,000	100,000
Grants received	695	591
Interest received	1,231	960
Net cash used in investing activities	26,356	(425,301)
Cash flows from financing activities		
Issue of ordinary shares	-	-
Ultimate parent company	152,195	127,277
Repayment of loans	(62,739)	(59,850)
Interest paid	(10,862)	(13,327)
Net cash used in financing activities	78,594	54,100
Net increase / (decrease) in cash and cash equivalents	(284,678)	259,261
Cash and cash equivalents at beginning of year	713,625	454,364
Cash and cash equivalents at the end of year	428,947	713,625
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	428,947	713,625

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 is 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 group 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 they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Going concern

Having reviewed the performance of the company and the group subsequent to the year end, and having prepared forecasts for the outturn of the 2017/18 season and subsequent period to 31 March 2019, 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. In carrying out this review the directors have considered both the continuing operations of the football club and also anticipated cash-flows during the period pertaining to the proposed development of the club’s proposed new stadium in Wimbledon. Given the still relatively early stages of this project, the latter creates some uncertainties in the timing and amounts of cash flows in the review period. However, members of the Board are confident in their ability to manage their resources appropriately. In all respects with regard to the cash flow forecasts to 31 March 2019, the Board continues to pay close attention to working capital.

As a result, the directors consider that it is appropriate to draw up the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the going concern basis of preparation were to become no longer appropriate.

2.4 Turnover

Turnover represents gate receipts, commercial and other income associated with the principal activity of running a football club, owning a football stadium and related activities, exclusive of VAT. Season tickets and other revenues relating to future periods are held as deferred income in the statement of financial position and released to revenue in the future periods to which they relate.

2. Accounting policies (continued)

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 of 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.

2.6 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.

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:

Long-term leasehold property	- lesser of period of lease or 50 years
Leasehold improvements	- 50 years
Plant and machinery	- 5 years
Furniture and fixtures	- 4 years
Computer equipment	- 3 years

2. Accounting policies (continued)

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

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

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 the profit and loss account 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 the 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, loans to related parties and investments in non-puttable ordinary shares.

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 out-right 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.
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 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets 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 grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.15 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.

2.16 Interest income

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

2.17 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.18 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

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 lessor or a lessee are operating or lease 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.
- Tangible fixed assets, other than investments properties, 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 the 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.

- 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 receivables are virtually certain. In general these conditions are not considered to be met until the underlying contingency has been satisfied

4. **Turnover**

	2017 £	2016 £
Match receipts and prize money	2,718,770	2,053,257
Merchandise and programmes	258,832	310,055
Sponsorships and advertising	590,347	508,001
Bar and catering	399,805	410,943
Donations and sundry income	305,888	345,142
Youth development income	602,093	507,644
	4,875,735	4,135,042

All turnover arose in the United Kingdom.

5. **Operating loss**

The operating loss is stated after charging:

	2017 £	2016 £
Auditors' remuneration - audit of the company	1,500	1,500
Auditors' remuneration - audit of subsidiary undertakings	18,500	18,500
Depreciation - owned tangible fixed assets	155,897	142,216
Amortisation - intangible fixed assets	116,802	36,030
Ground licence rentals	65,467	50,373
Compensation for exercise of lease termination	80,500	-
Donations	60,500	-

6. **Exceptional item**

On 27 May 2016 the company's subsidiary, AFCW Stadium Ltd, exchanged contracts with Chelsea Football Club Limited for the sale of The Cherry Red Records Stadium, Kingsmeadow. The sale is subject to a number of Conditions Precedent ('CP') and will not become final until all the CPs are met.

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

The Dons Trust Board and the football club board agreed that it was important and morally right to help Kingstonian secure their future by making a further substantial donation upon completion of the sale of the stadium. The nature of the agreements meant that this donation, for £1m, must be accrued for in these financial statements. This donation is being funded from the profit from the sale of Kingsmeadow. However, accounting rules specify that the profit is not eligible to be included in these accounts.

These accounts therefore include:

	2017 £	2016 £
Contractual payment to terminate Kingstonian's licence	**80,500**	-
Donations to Kingstonian	**1,069,500**	-
	1,150,000	-

7. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	**2,939,005**	2,305,057
Player and football staff expenses	**21,504**	34,321
Social security costs	**292,118**	218,658
	3,252,627	2,558,036

No directors received any remuneration in the current or prior year for services rendered to the company.

The average number of permanent non-football staff during the year was approximately 12 (2016 – 11).

The average number of football staff during the season was 53 (2016 - 51).

The average number of CFS & YDP Coaching staff during the year was 32 (2016 - 31).

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

	2017 No.	2016 No.
Football staff (including Scholars and Development Squad)	**53**	51
Bar and other part-time staff	**51**	45
Administration	**12**	11
Youth Development Programme Coaches	**32**	31
	148	138

A significant number of part-time bar staff work on an occasional basis. The number shown above is the total number of staff available "on call" at 29 June 2017.

In addition to the numbers of paid staff described above, there are many unpaid volunteers who carry out a wide range of work. The nature of their involvement varies, as does the amount of time they spend, varying from an hour or two a month to full-time. Their importance to the club's operations is illustrated by the fact that about 50 volunteers work on a matchday to ensure that everything runs smoothly; many other volunteers work during the week.

8. Interest receivable

	2017	2016
	£	£
Other interest receivable	1,231	960

9. Interest payable and similar charges

	2017	2016
	£	£
Bank	10,862	13,329
Other charges	10,815	7,975
	21,677	21,304

10 Tax on ordinary activities

	2017	2016
	£	£
UK Corporation Tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is nil, due to the company making losses

	2017	2016
	£	£
Loss on ordinary activities before tax	(1,113,385)	(99,336)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2016 - 20.00%)	(222,677)	(19,867)
Effects of:		
Depreciation for year in excess of capital allowances	31,197	28,437
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	141,475	(62,864)
Losses carried forward/utilised	50,005	54,294
Total tax charge for the year	-	-

Factors that may affect future tax charges

The deferred tax asset of £341,914 (2016 - £291,909), arising due to the availability of tax losses and depreciation in advance of capital allowances, has not been recognised in the financial statements as, on the available evidence, it does not meet the recognition criteria as stipulated by Section 29 of FRS 102.

11. Intangible assets

Group

	Player registrations £
Cost	
At 1 July 2016	93,740
Additions	111,505
Disposals	(152,245)
At 29 June 2017	53,000
Amortisation	
At 1 July 2016	57,710
Charge for the year	116,802
On disposals	(152,245)
At 29 June 2017	22,267
Net book value	
At 29 June 2017	30,733
At 30 June 2016	36,030

12. Tangible fixed assets

Group

	Long-term leasehold property & improvements	Plant and machinery	Computer equipment	Furniture and fixtures	Total
	£	£	£	£	£
Cost or valuation					
At 1 July 2016	4,512,039	510,365	49,502	113,377	5,185,283
Additions	41,867		63,583	9,907	115,357
Disposals	-	-	-	-	-
At 29 June 2017	4,553,906	510,365	113,085	123,284	5,300,640
Depreciation					
At 1 July 2016	867,151	464,160	44,852	100,407	1,476,570
Charge for the year	90,938	31,834	15,770	17,355	155,897
Disposals	-	-	-	-	-
At 29 June 2017	958,089	495,994	60,622	117,762	1,632,467
Net book value					
At 29 June 2017	3,595,817	14,371	52,463	5,522	3,668,173
At 30 June 2016	3,644,888	46,205	4,650	12,970	3,708,713

13. **Fixed asset investments**

Subsidiary undertakings:

The following were all 100% subsidiary undertakings of the company at 29 June 2017

Name	Country in which incorporated	Class of shares	Principal activity
AFC Wimbledon Limited	England and Wales	Ordinary	Association football club
AFCW Stadium Ltd	England and Wales	Ordinary	Football stadium ownership
The Wider Interests of Football Limited	England and Wales	Ordinary	Football stadium ownership – currently dormant

The aggregate of the share capital and reserves as at 29 June 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
AFC Wimbledon Limited	145,996	50,154
AFCW Stadium Ltd	(1,490,345)	(1,161,491)
The Wider Interests of Football Limited	100	-

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2016	3
Additions during the year	100
At 29 June 2017	103
Net book value	
At 29 June 2017	103
At 30 June 2016	3

14. Stocks

	Group 2017 £	Group 2016 £	**Company 2017 £**	Company 2016 £
Goods for resale - merchandise and bar stocks	132,860	277,008	-	-

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

Notes to the Financial Statements
For the Year Ended 29 June 2017

15. Debtors

	Group 2017 £	Group 2016 £	**Company 2017 £**	Company 2016 £
Trade debtors	131,786	33,544	-	-
Amounts owed by group undertakings	-	-	3,020,771	2,867,163
Other debtors	737,347	716,120	-	-
Prepayments and accrued income	192,772	211,744	-	--
	1,061,905	961,408	3,020,771	2,867,163

All amounts shown under debtors fall due for payment within one year. The impairment loss recognised in the group Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £Nil (2016 - £9,361). The impairment loss recognised in the company Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors was £Nil (2015 - £Nil).

16. Cash and cash equivalents

	Group 2017 £	Group 2016 £	**Company 2017 £**	Company 2016 £
Cash at bank and in hand	428,947	713,625	3,832	7,290

17. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	**Company 2017 £**	Company 2016 £
Bank loans - secured (note 18)	62,424	60,900	-	-
Trade creditors	253,630	331,682	-	-
Amounts owed to ultimate parent company	130,481	318,529	130,481	318,529
Amount owed to subsidiary company	-	-	100	-
Taxation and social security	267,007	351,893	-	-
Other creditors	446	7,998	-	-
Accruals and deferred income	2,078,426	1,390,118	-	-
	2,792,414	2,461,120	130,581	318,529

Included in accruals and deferred income falling due within one year is an unamortised grant of £10,157 (2016 - £10,968) received in respect of leasehold improvements and a donation of £1m to be paid to Kingstonian (see Note 6.

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

	Group 2017 £	Group 2016 £	**Company 2017 £**	Company 2016 £
Bank loans - secured (note 18)	287,196	351,459	**-**	-
Amounts owed to ultimate parent company	374,704	214,461	374,704	214,461
Accruals and deferred income	693,238	561,296	-	-
	1,355,138	1,127,216	374,704	214,461

Of the amounts due to the immediate parent company £374,704 (2016 - £214,461) attracts interest at an average rate of 4%. Interest paid on this balance in the year amounts to £10,815 (2016 - £7,975). The amounts due to the ultimate parent company are repayable over the period July 2017 to June 2019.

Included in accruals and deferred income falling due after more than one year is an unamortised grant of £487,551 (2016 - £507,865) received in respect of leasehold improvements).

19. Loans

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Amounts falling due:				
Within one year	62,424	60,900	-	-
Between one and two years	64,323	62,752	-	-
Between two and five years	204,948	199,943	-	-
After five years	17,925	88,764	-	-
	349,620	412,359	-	-

The bank loan is secured by way of a legal mortgage over the long leasehold property and is repayable by monthly instalments ending in September 2022. Interest is charged at base rate plus 2.5% and the interest charged during the year was £10,862 (2016 - £13,329).

20. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	1,298,080	865,546	3,024,603	2,874,453
Financial liabilities				
Financial liabilities measured at amortised cost	(2,187,452)	(1,043,811)	(505,185)	(532,990)

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.

21. Share capital

	2017 £	2016 £
Authorised		
20,000,000 - Ordinary shares of £0.01 each	200,000	200,000
5,000,000 - Ordinary A shares of £0.01 each	50,000	50,000
	50,000	250,000
Allotted, called up and fully paid		
20,000,000 - Ordinary shares of £0.01 each	200,000	200,000
4,071,520 - Ordinary A shares of £0.01 each	40,720	37,720
	240,720	237,720

At the annual general meeting on 8 December 2016, shareholders voted that the directors should be generally and unconditionally authorised to allot further A Ordinary shares of £0.01 each up to an aggregate nominal amount of £12,284, to such persons and as at such times as they think proper.

A further special resolution was also passed at the AGM, whereby such shares could be allotted as if the statutory pre-emption rights in section 561(1) of the Companies Act 2006 did not apply to any such allotment. On 29 June 2017, the board resolved to allot 300,000 A Ordinary shares to the Dons Trust at 60p per share, thereby increasing the amount of called up share capital by £3,000 and the Share Premium Account by £177,000.

22. Capital and reserves

The group's capital and reserves are as follows:

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

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

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

23. Contingent liabilities

The Company is included within a cross guarantee arrangement with Barclays Bank Plc with regard to loans issued to AFCW Stadium Ltd, a fellow group company. As at 29 June 2017, amounts due from AFCW Stadium Limited to Barclays Bank Plc, and therefore the potential liability, amounted to £349,621 (2016 - £412,359). The bank loan is secured by way of a legal mortgage over the long leasehold property held within the companies.

24. Related party transactions

During the year the company paid for a number of transactions on behalf of AFC Wimbledon Foundation, an independent charity which has two Trustees who are also members of the AFC Wimbledon board. The total of such transactions during the year was £52,313 (2016 £67,744) and the amount outstanding at 30 June 2017 was £13,481 (2016 £67,744).

25. Controlling party

The ultimate parent company is Wimbledon Football Club Supporters Society Limited ("The Dons Trust"), a company registered in England under the Industrial and Provident Societies Act 1965 -1978.

26. Post balance sheet events

On 13 December 2017 Merton Council issued a Decision Notice granting planning permission for the demolition of existing buildings and the construction of a 20,000 seat football stadium as well as 602 residential units and associated developments at a site in Plough Lane, Merton. The permission was issued to The Wider Interests of Football Limited (TWIOF), a wholly owned subsidiary of the Company and the development agreement with Galliard homes was signed on this date.

Work on clearing the site was due to start in late February 2018. Once this work is completed the freehold of the land upon which the stadium is to be built will be transferred to TWIOF. At that point, which is expected to be in the Autumn of 2018, the construction of the stadium can start.

Obtaining planning permission and the transfer of the land are two of the Conditions Precedent that must be fulfilled before the sale of Kingsmeadow to Chelsea FC can be completed. The directors of the Company are confident that this will happen in the late Summer of 2018 and from that time AFC Wimbledon will play at Kingsmeadow under licence from Chelsea FC until the new stadium is complete.

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