

BRITON FERRY LLANSAWEL AFC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2025

BRITON FERRY LLANSAWEL AFC

YEAR ENDED 31ST DECEMBER 2025

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BRITON FERRY LLANSAWEL AFC

YEAR ENDED 31ST DECEMBER 2025

COMMITTEE OF MANAGEMENT RESPONSIBILITIES STATEMENT

The club rules require the committee of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the club and of the income and expenditure of the club for that period. In preparing these financial statements, the committee of management is required to: -

- i select suitable accounting policies and then apply them consistently;
- ii make judgements and estimates that are reasonable and prudent;
- iii prepare the financial statements on the going concern basis unless it is inappropriate to presume that the club will continue in business.

The committee of management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the club and to ensure that the financial statements comply with the club rules. It has general responsibility for taking reasonable steps to safeguard the assets of the club and to prevent and detect fraud and other irregularities.

BRITON FERRY LLANSAWEL AFC

YEAR ENDED 31ST DECEMBER 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS BRITON FERRY LLANSAWEL AFC

Qualified Opinion

We have audited the financial statements of Briton Ferry Llansawel AFC (the 'club') for the year ended 31 December 2025 which comprise the Income and Expenditure Account, Balance Sheet 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the club's affairs as at 31 December 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). 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 club 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 qualified opinion.

Through our testing we believe there is a requirement for the Club to prepare and report a corporation tax return for profit which is not covered under the mutual trading exemption, for example external bar sales to non-members. Any profit would be liable to corporation tax.

Furthermore, should the income from trading activities (i.e. income from non-members such as bar sales) exceed the VAT threshold, there is a requirement for the Club to register for VAT and prepare and submit VAT returns to HMRC. The liability or refund payable or receivable from HMRC is dependent upon the taxable income and supplies up to the year end.

We have not been able to quantify the potential corporation tax liability or VAT liability, if any, as at 31 December 2025. Should there be a liability or refund of tax or VAT due, any VAT collected or suffered by the Club would need to be removed from the profit and loss account and brought forward reserves, and represented by a VAT debtor or creditor within the balance sheet.

Furthermore, any corporation tax liability or debtor would be required to be shown within the balance sheet of the Club.

Emphasis of matter

We draw your attention to note 7 to these financial statements which explain that these financial statements include the results of all divisions of the Britton Ferry Llansawel AFC, including the mens, womens, girls and academy sections. Furthermore, the club is transitioning to moving its activities to a Limited Company. As at the year end, this transition has not been fully approved therefore it has been agreed by the Football Association of Wales that the results for the year ended 31 December 2025 will be reflected in these financial statements, inclusive of any activity from the limited company.

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 committee of management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee of management has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the club'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.

BRITON FERRY LLANSAWEL AFC

YEAR ENDED 31ST DECEMBER 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITON FERRY LLANSAWEL AFC (CONTINUED)

Responsibilities of the committee of management

As explained more fully in the committee of management's responsibilities statement (detailed on page 1) the committee of management is 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 it 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 committee of management is responsible for assessing the club'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 committee of management either intends to liquidate the club or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

BRITON FERRY LLANSAWEL AFC

YEAR ENDED 31ST DECEMBER 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITON FERRY LLANSAWEL AFC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

Comparative information in the financial statements is derived from the company's prior period financial statements which are not audited.

Use of our Report

This report is made solely to the club's members, as a body, in accordance with the rules of the club. Our audit work has been undertaken so that we might state to the club'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 club and the club's members as a body, for our audit work, for this report, or for the opinions we have formed.

DJH Audit Limited

**DJH AUDIT LIMITED
STATUTORY AUDITOR
PACIFIC CHAMBERS
11-13 VICTORIA STREET
LIVERPOOL
L2 5QQ**

Date: 20/03/2026

BRITON FERRY LLANSAWEL AFC
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2025

	<u>2025</u>		<u>2024</u>	
	£	£	£	£
<u>Bar & café trading</u>				
Opening stock		(4,402)		-
Bar & cafe income		129,944		133,874
Bar & café purchase		(74,685)		(91,389)
Bar & café wages		(37,470)		-
Closing stock		<u>3,705</u>		<u>4,402</u>
<u>Gross Profit on bar & cafe trading</u>		17,092		46,887

Income

Fundraising	2,394		1,574	
Gate receipts	18,435		25,081	
Sponsorship & donations	67,779		85,637	
Player memberships	-		32,250	
Pitch hire	4,195		2,400	
Grants	194,819		153,756	
Prize money	3,000		2,500	
BFL academy	58,076		10,453	
BFL girls	49,390		-	
BFL vets	64		455	
BFL walking football	1,800		-	
Insurance claim	1,505		-	
Women and girls	-		8,550	
Player fines	656		1,256	
Bank interest	120		-	
Sundry income	<u>4,284</u>		<u>-</u>	
		<u>406,517</u>		<u>323,912</u>
		<u>423,609</u>		<u>370,799</u>

BRITON FERRY LLANSAWEL AFC
INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2025

	<u>2025</u>		<u>2024</u>	
	£	£	£	£
<u>Establishment Charges</u>				
Rates and Water	1,512		1,559	
Lighting and Heating	5,510		15,416	
Clubhouse & changing room maintenance	19,061		21,722	
Entertainment & Licences	4,022		3,634	
Rent	999		896	
Telephone & internet	1,377		1,294	
Insurance	4,161		2,933	
		<u>36,642</u>		<u>47,454</u>
<u>General Expenses</u>				
Ground & pitch maintenance	14,958		56,203	
Office, media & advertising	17,555		7,893	
Admin staff costs	7,348		4,832	
General manager costs	30,492		31,250	
Courses & training	5,118		1,249	
Subscriptions	583		443	
General repairs & maintenance	3,113		2,966	
Consulting	1,158		-	
Donations	180		180	
Refuse	1,562		1,639	
Sundry expenses	3,425		1,166	
Equipment leasing	2,450		3,290	
Cleaning	504		1,356	
Bank & card machine charges	1,673		1,837	
Loan & other interest	1,208		625	
Auditors fees	8,000		-	
Professional, legal & accountancy fees	3,500		5,980	
		<u>102,827</u>		<u>120,909</u>
<u>Playing Expenses</u>				
Player & team expenses	24,526		30,757	
Player wages	129,740		54,809	
Laundry	1,910		795	
Pitch & training facility hire	33,113		-	
Physio & medical	18,550		13,472	
Equipment, kit & training wear	22,733		3,028	
Management & coaches' expenses	39,163		12,414	
Referee expenses	8,827		3,941	
Academy, women & girls' expenditure	-		3,750	
League & comet fees	5,063		3,971	
Travelling	54,299		35,996	
Walking football	2,535		-	
Stewards & security	4,410		3,150	
		<u>344,869</u>		<u>166,083</u>
Total expenses before depreciation		484,338		334,446
Total Income for the year		423,609		370,799
Deficit for the year before depreciation		(60,729)		36,353
Depreciation on owned assets		<u>(5,282)</u>		<u>(4,673)</u>
Deficit for the year		<u>(66,011)</u>		<u>31,680</u>

BRTON FERRY LLANSAWEL AFC
BALANCE SHEET AS AT 31ST DECEMBER 2025

	<u>2025</u>	<u>2024</u>	
<u>Note</u>	£	£	
<u>FIXED ASSETS</u>	3	56,522	53,468
<u>CURRENT ASSETS</u>			
Cash at Bank - Community account	5,049	12,712	
Cash at Bank - BFL YDP account	119	2,796	
Cash at Bank - BMM account	1	-	
Cash at Bank - Main	1,235	-	
Cash at Bank - Academy	50	-	
Cash at Bank - Girls	3,417	-	
Trade debtors	9,760	-	
Bar & Café stock	3,706	4,402	
	<u>23,337</u>	<u>19,910</u>	
<u>CREDITORS: Amounts falling due within one year</u>	4	<u>35,394</u>	<u>17,071</u>
<u>NET CURRENT ASSETS</u>		<u>(12,057)</u>	2,839
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>44,465</u>	56,307
<u>CREDITORS: Amounts falling due after more than one year</u>	5	<u>(14,775)</u>	<u>(19,238)</u>
<u>NET ASSETS</u>		<u>29,690</u>	<u>37,069</u>
 <u>ACCUMULATED FUND ACCOUNT</u>			
Balance at 1st January 2025		37,069	5,389
Transfer of assets	7	58,632	-
Deficit for the year		<u>(66,011)</u>	<u>31,680</u>
Balance at 31 st December 2025		<u>29,690</u>	<u>37,069</u>

The financial statements were approved and authorised for issue by the Committee of Management on 20 March 2026.

Tom Walters

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Tom Walters - CEO

The attached notes on pages 9 and 11 form part of these financial statements.

BRITON FERRY LLANSAWEL AFC**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

	<u>2025</u>		<u>2024</u>	
	£	£	£	£
Cash generated from operations				
Operating (loss)/profit	(66,011)		31,680	
Reconciliation to cash generated from operations:				
Depreciation	5,282		4,673	
(Increase) / decrease in stocks	698		(4,402)	
(Increase) / decrease in debtors	(9,760)		-	
Transfer of assets (bank accounts)	58,632		-	
Increase / (decrease) in creditors	<u>21,303</u>		<u>6,905</u>	
		10,144		38,856
Investing activities				
Purchase of tangible fixed assets	<u>(8,336)</u>		<u>(31,195)</u>	
		(8,336)		(31,195)
Financing activities				
(Repayment) / proceeds of bank loans	<u>(7,443)</u>		<u>(3,356)</u>	
		<u>(7,443)</u>		<u>(3,356)</u>
Net increase / (decrease) in cash		(5,635)		4,305
Cash at bank at beginning of year		<u>15,508</u>		<u>11,203</u>
Cash at bank at end of year		<u>9,873</u>		<u>15,508</u>

BRITON FERRY LLANSAWEL AFC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and have been consistently applied within the same accounts.

(a) Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with section 1A of FRS 102 The Financial Reporting Standard Applicable in the UK and Ireland.

The effects of events relating to the year ended 31st December 2025 which occurred before the date of approval of the financial statements by the Committee, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31st December 2025 and of the results for the year ended on that date.

(b) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates: -

Computer Equipment	-	33% per annum of cost
Fixtures & Leasehold improvements	-	10% & 5% per annum of NBV
Plant & Machinery	-	10% per annum of NBV
Motor Vehicles	-	25% per annum of NBV

(c) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, cost of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(d) Debtors and creditors recoverable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

BRITON FERRY LLANSAWEL AFC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2025

2. INCOME

Income for the year represents cash received from all sources including trading, sponsorships, grants & fundraising.

3. FIXED ASSETS

Tangible Assets

	<u>Computer Equipment</u>	<u>Fixtures & Leasehold Improv</u>	<u>Plant & Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
<u>COST</u>					
At 1st January 2025	9,147	56,195	13,000	2,000	80,342
Additions	1,499	1,337	5,500	-	8,336
Disposals	-	-	-	-	-
At 31st December 2025	<u>10,646</u>	<u>57,532</u>	<u>18,500</u>	<u>2,000</u>	<u>88,678</u>
<u>DEPRECIATION</u>					
At 1st January 2025	8,225	11,974	5,031	1,644	26,874
Charge for the year	1,210	2,911	1,072	89	5,282
Eliminated on disposal	-	-	-	-	-
At 31st December 2025	<u>9,435</u>	<u>14,885</u>	<u>6,103</u>	<u>1,733</u>	<u>32,156</u>
<u>NET BOOK VALUE</u>					
At 31st December 2025	<u>1,210</u>	<u>42,648</u>	<u>12,397</u>	<u>267</u>	<u>56,522</u>
At 31st December 2024	<u>922</u>	<u>44,221</u>	<u>7,969</u>	<u>356</u>	<u>53,468</u>

4. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2025</u>	<u>2024</u>
	£	£
<u>Creditors</u>		
Wages, social security and taxes	21,436	8,161
Other creditors	1,507	1,479
Bank loan	4,451	3,431
Accruals	8,000	-
Other loans	-	4,000
	<u>35,394</u>	<u>17,071</u>

5. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

In 2022, the club had the option to extend the period of repayment for the bounce back loan from the initial 5 years. The club took up this option therefore the loan repayable to HSBC UK Bank plc now has 4.5 years remaining at 31st December 2025.

BRITON FERRY LLANSAWEL AFC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 2025

6. LEASING COMMITMENTS

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amounted to £14,007 (2024: £17,409).

Of the above £3,400 is payable within 1 year and £10,607 due between 2 and 5 years.

7. TRANSFER OF ASSETS

During the year, each individual section of the club (women, girls, academy etc) started the process of being integrated in to the main club as one. This included the transfer of each different sections bank account balances into the main club. These balances have been brought in through the accumulated fund. The cash flow statement has also been adjusted accordingly.

Furthermore, the Club is in the process of transferring its activities to a limited company. As at the year end this transfer has not been fully authorised by the Football Association of Wales, therefore it has been agreed that these financial statements will include any activity which has been recorded in the limited company up to the year end.

8. POST BALANCE SHEET EVENTS

The Club is in the process of transferring its activities to a limited company, Briton Ferry Llansawel Limited, which is a requirement of the Football Association of Wales, this transition is expected to be fully approved and finalised in 2026.

9. VAT AND TAX LIABILITY

As noted by the auditors and referred to in the audit report to these financial statements, there is a potential liability to VAT and corporation tax on profits which are not covered under the mutual trading exemption. Further investigation is required into this to quantify the liability or debtor.

10. MEMBER LIABILITY

Any liabilities incurred shall fall upon the membership of the club providing the Management Committee acts in accordance with the Constitution, in honesty and good faith.

11. RELATED PARTY TRANSACTIONS

During the period £27,308 was paid to K&M Building Solutions Ltd, a company of which has a common board member with Briton Ferry Llansawel Limited and common management with this the Club.

Furthermore, £7,800 was paid to Mark Hopson, a member of the club, in relation to a purchase of a cabin for the grounds and sponsorship expenses.

10. ULTIMATE CONTROLLING PARTY

The club is formed under its constitution. The constitution should be reviewed a minimum of once every two years. The Club is controlled by its members and management committee, with no one person exercising ultimate control.