

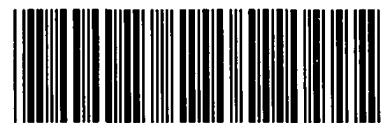
IFA Stadium Development Company Limited

Report and Financial Statements

For the year ended 31 December 2016



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COMPANIES HOUSE

Directors

P Nelson
T Annon
H Wade
C Ramsey
T Husbands
J McCollum

Company Secretary

P Nelson

Registered Office

The National Football Stadium
Donegall Avenue
Belfast
BT12 6LW

Bankers

Ulster Bank
91-93 University Road
Belfast
BT7 1NG

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Waterfront Plaza
8 Lagan Road
Belfast
BT1 3LR

2015 2016 2017

Registered No. NI608630

Directors' report

For the year ending 31 December 2016

The directors present their report and the audited financial statements of the company for the year ended 31 December 2016.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements are shown on page 1.

The directors benefit from qualifying third party indemnity provisions which continued in place from their appointments and at the date of this report or to the date of resignation.

Principal activities

The principal activity of the IFA Stadium Development Company Limited (the "company") during the year was the development and construction of a National Football Stadium for Northern Ireland and the operation of that stadium.

Results

The company reported a profit for the year ended 31 December 2016 of £2,300,456 (2015: £41,080). The result includes insurance proceeds in respect of the damage to the West Stand of £2,247,825 (2015: £Nil). The directors do not recommend the payment of a dividend (2015: £Nil). No donations for political purposes were made during the year (2015: £Nil). The company is supported by its parent, Irish Football Association Limited.

Provision of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

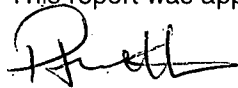
Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of PricewaterhouseCoopers LLP as auditor of the company.

Small companies' exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.



Patrick Nelson
Secretary
26 April 2017

Statement of Directors' responsibilities

The directors are responsible for preparing 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law.

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 of the profit or loss of the company for that period. In preparing these 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 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments 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 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. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the Board and signed on its behalf.



Patrick Nelson
Secretary

26 April 2017

Independent auditors' report to the members of IFA Stadium Development Company Limited

Report on the financial statements

Our opinion

In our opinion, IFA Stadium Development Company Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year 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.

What we have audited

The financial statements included within the Report and Financial Statements ("the Annual Report"), comprise:

- the Balance sheet as at 31 December 2016;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice). In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received 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
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of IFA Stadium Development Company Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies' exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

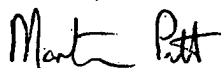
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements. We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Martin Pitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast
16 May 2017

Profit and loss account

for the year ended 31 December 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|------------------|-----------|
| Turnover | 5 | 1,639,560 | 705,616 |
| Cost of sales | | (861,054) | (155,380) |
| Gross Profit | | 778,506 | 550,236 |
| Administrative expenses | | (619,474) | (508,379) |
| Exceptional item | 6 | 2,247,825 | - |
| Operating profit | 7 | 2,406,857 | 41,857 |
| Profit on ordinary activities before taxation | | 2,406,857 | 41,857 |
| Tax on profit on ordinary activities | 9 | (106,401) | (777) |
| Profit for the financial year | | 2,300,456 | 41,080 |

The company has no other items of comprehensive income and so no statement of other comprehensive income has been presented.

Registered No. NI608630

Balance sheet

at 31 December 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 160,468 | 1,066 |
| Investment property | 11 | 36,306,900 | 30,617,274 |
| | | 36,467,368 | 30,618,340 |
| Current assets | | | |
| Debtors | 12 | 1,529,393 | 1,502,071 |
| Cash at bank and in hand | | 52,177 | 227,168 |
| | | 1,581,570 | 1,729,239 |
| Creditors: amounts falling due within one year | 13 | (7,565,700) | (5,021,808) |
| Net current liabilities | | (5,984,130) | (3,292,569) |
| Total assets less current liabilities | | 30,483,238 | 27,325,771 |
| Creditors: amounts falling due after more than one year | 14 | (28,272,980) | (27,522,370) |
| Provisions for liabilities | 15 | (106,401) | - |
| Net assets/(liabilities) | | 2,103,857 | (196,599) |
| | | | |
| Share capital | 16 | 2 | 2 |
| Profit and loss account | | 2,103,855 | (196,601) |
| Shareholders' funds/(deficit) | | 2,103,857 | (196,599) |

The notes on pages 9 to 21 are an integral part of these financial statements.

The financial statements on pages 6 to 21 were approved and authorised for issue by the board and were signed on its behalf by:



Patrick Nelson (Director)
Date: 26 April 2017

Statement of changes in equity
for the year ended 31 December 2016

| | Called up share capital | Profit and loss account | Total |
|---|----------------------------|----------------------------|------------------|
| | £ | £ | £ |
| At 1 January 2015 | 2 | (237,681) | (237,679) |
| Profit for the financial year | - | 41,080 | 41,080 |
| Total comprehensive income for the year | - | 41,080 | 41,080 |
| At 31 December 2015 | 2 | (196,601) | (196,599) |

| | Called up share capital | Profit and loss account | Total |
|---|----------------------------|----------------------------|------------------|
| | £ | £ | £ |
| At 1 January 2016 | 2 | (196,601) | (196,599) |
| Profit for the financial year | - | 2,300,456 | 2,300,456 |
| Total comprehensive income for the year | - | 2,300,456 | 2,300,456 |
| At 31 December 2016 | 2 | 2,103,855 | 2,103,857 |

Notes to the financial statements

at 31 December 2016

1. General Information

The principal activity of the IFA Stadium Development Company Limited ("the company") during the year was the development, construction and operation of a National Football Stadium for Northern Ireland. The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is National Football Stadium at Windsor Park, Belfast, BT12 6LW.

2. Statement of compliance

The individual financial statements of IFA Stadium Development Company Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101, "The Reduced Disclosure Framework" ("FRS 101"), and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The company has adopted FRS 101 in these financial statements. Details of the transition to FRS 101 are disclosed in note 22.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Exemptions for qualifying entities under FRS 101

FRS 101 allows a qualifying entity certain disclosure exemptions. The company have taken advantage of the following exemptions from the requirements of IFRS:

- IFRS 7, "Financial Instruments: Disclosures"
- Paragraph 38 of IAS 1 "Presentation of financial statements" comparative information requirements in respect of:
 - i. Paragraph 79(a)(iv) of IAS 1; and
 - ii. Paragraph 73(e) of IAS 16.
- The following paragraphs of IAS 1 "Presentation of financial statements":
 - i. 10(d) – statement of cash flows;
 - ii. 16 – statement of compliance with all IFRS;
 - iii. 38A – requirement for minimum of two primary statements, including cash flow statements;
 - iv. 38B-D – additional comparative information;
 - v. 111 – cash flow statement information; and
 - vi. 134-136 – capital management disclosures.
- IAS 7, "Statement of cash flows"
- Paragraph 30 and 31 of IAS 8 "Accounting policies, changes in accounting estimates and errors" – disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- Paragraph 17 of IAS 24, "Related party disclosures" – key management compensation; and
- The requirements in IAS 24, "Related party disclosures" – disclosure of related party transactions between two or more members of a group.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (continued)

Going concern

The company meets its day-to-day working capital requirements through its bank facilities, government funds and support from its parent company, Irish Football Association Limited. The directors have assessed the company's financial position and have developed a business plan and strategic vision for the stadium in the coming years that is expected to be profitable. Therefore the company continues to adopt the going concern basis in preparing its financial statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes. The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash and cash equivalents is deferred and the arrangement constitutes a financing transaction, the fair value of the consideration is measured at the present value of all future receipts using the imputed rate of interest. The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow through the entity and (e) when the specific criteria relating to each of the company's sales channels have been met, as described below.

i) Tickets and TV receipts (rental income)

An allocation of home international match income in respect of ticket sales and TV receipts is received from Irish Football Association Limited to IFA Stadium Development Company Limited, in respect of rental income from use of property owned by the company.

ii) Other rental income

Rental from hire of corporate boxes and office/room rentals is recognised on a straight line basis over the term of the rental period.

iii) Other income

Other income (such as catering and events income) is recognised in the Profit and loss account when the terms of revenue recognition have been met.

iv) Grants

Grants relating to tangible fixed assets are treated as deferred credits (held in the deferred credit reserve on the Balance sheet) and released to "Cost of sales" in the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

Profit and loss account

The profit and loss account represents accumulated comprehensive income for the year and prior periods.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (continued)

Foreign currency

i) Functional and presentation currency

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

ii) Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses are presented in the profit and loss account within "Administrative expenses".

Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

ii) Defined contribution pension plan

The company operates a defined contribution scheme for employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid, the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

iii) Bonus Plan

The company operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation.

Exceptional items

The company classifies certain one off charges or credits that have a material impact on the company's financial results as "exceptional items". These are disclosed separately to provide further understanding of the financial performance of the company.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (continued)

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current Tax

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.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in the tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing differences.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use. Depreciation on assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated economic lives, as follows:

| | |
|-----------------------|-------|
| Plant and equipment | - 10% |
| Fixtures and fittings | - 25% |

Assets in the course of construction are stated at cost. These assets are not depreciated until available for use.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably. The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have a significantly different pattern of consumption of economic benefits and are depreciated separately over its useful life.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (Continued)

Tangible assets (continued)

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss account.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Investment property

Investment property, the stadium, is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

The investment property owned by the company is situated on long leasehold land. The property is depreciated over the shorter of the useful life and the period of the land lease, using the straight-line method, to allocate the cost to their residual values over the estimated economic lives, as follows: Structural costs – 2%; and Fixtures and fittings – 5%. Consequently, the rates applied in depreciation of North stand and National football stadium are 2–5%.

Assets in the course of construction are stated at cost. These assets are not depreciated until available for use.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably. The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have a significantly different pattern of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Leased assets

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leased asset

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and bank overdrafts.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (Continued)

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the assets.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Provisions and contingencies

i) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligations can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Notes to the financial statements

at 31 December 2016

3. Summary of significant accounting policies (Continued)

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) 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 rate 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 loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or, (c) despite having retained some significant risks and rewards of ownership, 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.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Comparatives

The following comparative information has been adjusted to maintain consistency of classification with current information: £30,617,274 of fixed assets were classified from tangible assets (assets under construction) to investment property upon completion of the stadium. There was no effect on the reported results.

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group.

Notes to the financial statements

at 31 December 2016

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the company's accounting policies

There are no critical judgments in applying the company's accounting policies.

(b) Critical accounting estimates and assumptions

There are no critical accounting estimates and assumptions.

5. Turnover

The whole of the turnover is attributable to the principal activity of the company and relates entirely to activities in the UK.

6. Exceptional item

The exceptional item relates to insurance receipts which were received against the damage sustained to the West Stand of the Stadium.

7. Operating profit

The operating profit for the year is after charging / (crediting):

| | 2016 | 2015 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries | 177,450 | 99,216 |
| Social security costs | 18,953 | 10,968 |
| Pension costs | 9,011 | 6,152 |
| Total staff costs charged to profit and loss | <u>205,414</u> | <u>116,336</u> |
| Depreciation of fixed assets | 281,346 | 34,742 |
| Insurance receipts | (2,247,825) | - |
| Operating lease charge | 200,000 | 200,000 |
| Amortisation of deferred credits | (222,366) | (34,696) |
| Fees payable to the company's auditor | <u>10,000</u> | <u>6,500</u> |

8. Employees and directors

Employees

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

| | No. | No. |
|----------------|----------|----------|
| Administrative | <u>7</u> | <u>5</u> |
| Total | <u>7</u> | <u>5</u> |

Directors

During the year, no director received any emoluments (2015: £Nil).

Notes to the financial statements

at 31 December 2016

9. Tax on profit on ordinary activities

a) Tax expense included in profit and loss account

| | 2016 | 2015 |
|--|----------------|------------|
| | £ | £ |
| Corporation tax | | |
| Current tax: | | |
| UK corporation tax on profits for the year | - | 777 |
| Deferred tax: | | |
| Origination and reversal of timing differences | 138,590 | - |
| Adjustment in respect of previous periods | (12,090) | - |
| Effect of changes in tax rates | (20,099) | - |
| Total deferred tax (note 15) | 106,401 | - |
| Tax on profit / (loss) on ordinary activities | 106,401 | 777 |

b) Reconciliation of tax charge

The tax assessed for the year differs from the UK corporation tax rate of 20% (2015: 20%). The differences are explained below:

| | | |
|---|----------------|------------|
| Profit on ordinary activities before tax | 2,406,857 | 41,857 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015: 20%) | 481,371 | 8,371 |
| Effects of: | | |
| Expenses not deductible | 21,515 | 7,994 |
| Income not taxable | (494,038) | (6,939) |
| Effect of group relief | 129,742 | - |
| Effect of changes in tax rates | (20,099) | - |
| Utilisation of losses | - | (8,649) |
| Adjustment in respect of previous periods | (12,090) | - |
| Tax on profit on ordinary activities | 106,401 | 777 |

c) Tax

The UK Corporation tax will reduce to 19% for years beginning on or after 1 April 2017 and 17% for the years beginning on or after 1 April 2020. These changes have been reflected in these financial statements.

Notes to the financial statements

at 31 December 2016

10. Tangible assets

| | Plant and equipment £ | Fixtures and fittings £ | Total £ |
|----------------------------------|-----------------------------|-------------------------------|----------------|
| Cost or valuation: | | | |
| At 1 January 2016 | - | 1,112 | 1,112 |
| Additions | 150,988 | 9,934 | 160,922 |
| At 31 December 2016 | 150,988 | 11,046 | 162,034 |
| Accumulated depreciation: | | | |
| At 1 January 2016 | - | 46 | 46 |
| Charge for the year | - | 1,520 | 1,520 |
| At 31 December 2016 | - | 1,566 | 1,566 |
| Net book value: | | | |
| At 31 December 2016 | 150,988 | 9,480 | 160,468 |
| At 1 January 2016 | - | 1,066 | 1,066 |

11. Investment property

| | North stand £ | National football stadium £ | Total £ |
|----------------------------------|------------------|--------------------------------------|-------------------|
| Cost or valuation: | | | |
| At 1 January 2016 | 885,952 | 29,766,018 | 30,651,970 |
| Additions | - | 5,969,451 | 5,969,451 |
| At 31 December 2016 | 885,952 | 35,735,469 | 36,621,421 |
| Accumulated depreciation: | | | |
| At 1 January 2016 | 34,696 | - | 34,696 |
| Charge for the year | 34,696 | 245,129 | 279,825 |
| At 31 December 2016 | 69,392 | 245,129 | 314,521 |
| Net book value: | | | |
| At 31 December 2016 | 816,560 | 35,490,340 | 36,306,900 |
| At 1 January 2016 | 851,256 | 29,766,018 | 30,617,274 |

The National Football Stadium had an official opening on 8 October 2016 and depreciation of the new stadium began at that time. A 51 year lease for use of the land is in place between the company and Linfield Football Club, which began on 8 May 2014.

Notes to the financial statements

at 31 December 2016

12. Debtors

| | 2016 | 2015 |
|---------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 92,086 | 19,662 |
| Other debtors | 1,187,428 | 960,024 |
| VAT | 122,335 | 491,012 |
| Prepayments | 127,544 | 31,373 |
| | <u>1,529,393</u> | <u>1,502,071</u> |

13. Creditors: amounts falling due within one year

| | 2016 | 2015 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 99,955 | 1,371,001 |
| Amounts owed to parent undertaking | 6,008,664 | 2,772,647 |
| Corporation tax | - | 777 |
| Other tax and social security | - | 949 |
| Accruals and deferred income | 706,409 | 876,434 |
| Deferred credit reserve (note 14) | 750,672 | - |
| | <u>7,565,700</u> | <u>5,021,808</u> |

Amounts owed to parent undertaking are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14. Creditors: amounts falling due after more than one year

| | 2016 | 2015 |
|---|-------------------|-------------------|
| | £ | £ |
| Deferred credit reserve – opening balance | 27,522,370 | 9,339,133 |
| Additions | 1,723,648 | 18,217,933 |
| Amortisation for the year | (222,366) | (34,696) |
| Deferred credit reserve – closing balance | <u>29,023,652</u> | <u>27,522,370</u> |
| Falling due within one year (note 13) | <u>(750,672)</u> | - |
| Falling due after more than one year | <u>28,272,980</u> | <u>27,522,370</u> |

15. Provisions for liabilities

| | 2016 | 2015 |
|--------------------------------------|-----------------|------|
| | £ | £ |
| Deferred taxation – opening balance | - | - |
| Charge for the year (note 9) | 106,401 | - |
| Deferred taxation – closing balance | <u>106,401</u> | - |
| The liability is made up as follows: | | |
| Timing differences on fixed assets | 133,468 | - |
| Other timing differences | <u>(27,067)</u> | - |
| | <u>106,401</u> | - |

Notes to the financial statements

at 31 December 2016

16. Called up share capital

| | 2016 | 2015 |
|--|----------|----------|
| | £ | £ |
| Allotted and fully paid | | |
| 2 (2015: 2) ordinary shares of £1 each | <u>2</u> | <u>2</u> |

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

17. Financial commitments

At 31 December, the company had annual commitments under non-cancellable operating leases expiring as follows:

| | 2016 | 2015 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Payments due in less than one year | 200,000 | 200,000 |
| Payments due in two to five years | 800,000 | 800,000 |
| Payments due in more than five years | <u>8,666,667</u> | <u>9,000,000</u> |

The company completed the development of a National Football Stadium for Northern Ireland in the year 2016. The majority of the costs relating to this project were funded by supporting bodies, including the Department for Communities.

18. Capital commitments

At 31 December, the company has a capital commitment of £120,521 (2015: £Nil).

19. Contingent assets and liabilities

At the year end the lead contractor responsible for building the National Football Stadium has expressed its intention to claim additional amounts over and above the final completion certificate. The amount has not as yet been quantified and will be challenged, however disclosure of the fact of a potential claim is required for a proper understanding of the financial statements.

At the year end, there are ongoing insurance claims relating to the National Football Stadium construction, which although the timing and quantum of receipt is not certain, settlement is probably in 2017 and disclosure is required for a proper understanding of the financial statements.

The Department for Communities has provided grant funding to build the National Football Stadium under an agreement dated May 2014. There is the potential for the recognition of contingent liabilities in the event of the company failing to meet its obligations under this agreement.

20. Related party transactions

No transactions or balances have been identified as requiring disclosure under FRS 101.

Notes to the financial statements

at 31 December 2016

21. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Irish Football Association Limited.

The smallest and largest undertakings of which the company is a member, and for which group financial statements are prepared is Irish Football Association Limited, a company limited by guarantee and incorporated in Northern Ireland. These financial statements are available from the National Football Stadium, Donegal Avenue, Belfast, BT12 6LU.

22. Transition to FRS 101

This is the first year that the company has presented its results under FRS 101. The last financial statements prepared under FRS 102 were for the year ended 31 December 2015. The date of transition to FRS 101 was 1 January 2015. There were no adjustments to total assets, equity or profit arising from the transition.

Additional Financial Information

The following pages do not form part of the statutory financial statements
which are the subject of the independent auditors' report on pages 4 -5

Income and Match & Development Expenditure (unaudited)

| | 2016 £ | 2015 £ |
|----------------------------|------------------|----------------|
| Turnover | | |
| International Match Income | 1,465,781 | 701,731 |
| Other Income | 173,779 | 3,885 |
| | <u>1,639,560</u> | <u>705,616</u> |

| | 2016 £ | 2015 £ |
|--------------------------------|----------------|----------------|
| Cost of staging matches | | |
| Operations | 803,594 | 155,380 |
| Depreciation charge | 279,825 | 34,696 |
| Release of deferred credit | (222,365) | (34,696) |
| | <u>861,054</u> | <u>155,380</u> |

| | 2016 £ | 2015 £ |
|--|----------------|----------------|
| Administrative Expenses | | |
| Employee salaries | 205,414 | 116,336 |
| Employee related costs (travel, expenses, recruitment) | 14,087 | 62,646 |
| Depreciation Charge | 1,520 | 46 |
| Rent, Rates & Insurance | 278,760 | 255,360 |
| Other Office Expenses | 21,388 | 40,627 |
| Professional Fees | 95,007 | 32,887 |
| Travelling, Entertainment & Subs | 3,298 | 477 |
| | <u>619,474</u> | <u>508,379</u> |