

Financial Statements
for the Year Ended 31 May 2023
for
The Grimsby Town Football Club Limited

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for the Year Ended 31 May 2023

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The Grimsby Town Football Club Limited

Company Information
for the Year Ended 31 May 2023

DIRECTORS:

K L Green
A J Pettit
D R Roberts
J Stockwood

REGISTERED OFFICE:

Blundell Park
CLEETHORPES
N E Lincolnshire
DN35 7PY

REGISTERED NUMBER:

00034760 (England and Wales)

ACCOUNTANTS:

Nicholsons
Chartered Accountants
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

BANKERS:

Lloyds Bank
50-52 Victoria Street West
GRIMSBY
N E Lincolnshire
DN31 1BL

The Grimsby Town Football Club Limited (Registered number: 00034760)

Balance Sheet
31 May 2023

	Notes	31/5/23 £	£	31/5/22 £	£
FIXED ASSETS					
Intangible assets	4		68,130		-
Tangible assets	5		<u>1,046,130</u>		<u>906,284</u>
			1,114,260		906,284
CURRENT ASSETS					
Stocks	6	46,776		77,953	
Debtors	7	605,983		505,631	
Cash at bank and in hand		<u>523,476</u>		<u>33,096</u>	
		1,176,235		616,680	
CREDITORS					
Amounts falling due within one year	8	<u>704,420</u>		<u>864,800</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>471,815</u>		<u>(248,120)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,586,075		658,164
CREDITORS					
Amounts falling due after more than one year	9		<u>2,226,467</u>		<u>1,543,348</u>
NET LIABILITIES			<u>(640,392)</u>		<u>(885,184)</u>
CAPITAL AND RESERVES					
Called up share capital	12		2,379,900		2,379,900
Revaluation reserve	13		273,000		273,000
Retained earnings	13		<u>(3,293,292)</u>		<u>(3,538,084)</u>
SHAREHOLDERS' FUNDS			<u>(640,392)</u>		<u>(885,184)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Balance Sheet - continued
31 May 2023

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 February 2024 and were signed on its behalf by:

A J Pettit - Director

J Stockwood - Director

Notes to the Financial Statements
for the Year Ended 31 May 2023

1. STATUTORY INFORMATION

The Grimsby Town Football Club Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents all income arising from the ordinary activities of the company and excludes transfer fees receivable and Value Added Tax. Match receipts are shown after deduction of League and Football Association levies and amounts due to visiting clubs.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation net of depreciation and provisions for impairment. No depreciation has been provided on freehold property, as Blundell Park continues to be valued in the financial statements at an amount at least equivalent to the likely net disposal proceeds. Depreciation in respect of other tangible fixed assets is provided for at the following rates on a straight line basis calculated to write-off the cost or valuation, less any estimated residual value, of each asset over its useful economic life.

Motor vehicles	25%
Computer equipment	33%
Fixtures, fittings and equipment	15%

Financial instruments

Financial instruments are recognised in the company's statement of financial position when the company becomes the party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charge for taxation is based upon the results for the year and takes into account taxation deferred through timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised without discounting in respect of these timing differences which have arisen but not yet reversed by the balance sheet date except as otherwise required by FRS 102.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

2. ACCOUNTING POLICIES - continued

Leases

Assets held under finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful economic life. The capital element of obligations are recorded as liabilities, the interest element being charged to the profit and loss account evenly over the period of the lease.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans, 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 payment is discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

2. ACCOUNTING POLICIES - continued

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Grants

Grants received in respect of expenditure which is charged to the profit and loss account are dealt with in the profit and loss account in the year of receipt. Grants received in respect of expenditure of a capital nature are treated as deferred income and released to the profit and loss account by instalments over the expected useful economic life of the related assets.

Player trading

The costs associated with the acquisition of players' registrations are capitalised as intangible fixed assets. These costs are fully amortised in equal annual instalments over the period of the players' contracts including any agreed extensions. Players' registrations are written down for impairment when the amortised value exceeds the amount recoverable through use or sale. Future costs which may become due are recognised within the original cost of acquisition if, in the opinion of the directors, it is probable that these costs will be incurred. Where similar circumstances arise from the disposal of players' registrations, these future receipts are not recognised as part of the proceeds of disposal until such time as the events upon which these receipts are dependent, are known to have occurred. No value is recognised in the financial statements for players developed within the company.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

2. ACCOUNTING POLICIES - continued

Signing on fees

Signing on fees are charged to the profit and loss account in the accounting period when they become due under the terms of the players' contract. Instalments due in the future are not provided for but are noted as contingent liabilities. Signing on fees paid as a consequence of the transfer of a players' registration are included in the profit and loss on disposal of players' registrations.

Deferred income

Deferred income comprises amounts received from sponsorship, season tickets and other income, which is released to the profit and loss account on a straight line basis over the period to which it relates.

Pension costs and other post-retirement benefits

The company contributes to defined contribution pension schemes for certain employees, the assets of which are held separately from those of the company in independently administered funds. Pension costs represent contributions payable by the company in the year.

Government grants

Government grants received are treated as deferred creditors and credited to the profit and loss account over the estimated useful life of the relevant fixed assets.

Going Concern

Management have prepared and reviewed budgets for the next twelve months and the impact of the business plan on cash flows. Following this review and the confirmation from investors of their intention to support the company it has been concluded that it is appropriate for the financial statements to be prepared on the going concern basis.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 286 (2022 - 256).

4. INTANGIBLE FIXED ASSETS

	Player registrations £
COST	
Additions	114,250
At 31 May 2023	<u>114,250</u>
AMORTISATION	
Amortisation for year	46,120
At 31 May 2023	<u>46,120</u>
NET BOOK VALUE	
At 31 May 2023	<u>68,130</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

5. TANGIBLE FIXED ASSETS

	Freehold property £	Ground improvements £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 June 2022	1,619,146	-	551,225	19,796	2,190,167
Additions	-	172,270	31,139	-	203,409
At 31 May 2023	<u>1,619,146</u>	<u>172,270</u>	<u>582,364</u>	<u>19,796</u>	<u>2,393,576</u>
DEPRECIATION					
At 1 June 2022	969,146	-	296,189	18,548	1,283,883
Charge for year	-	-	62,315	1,248	63,563
At 31 May 2023	<u>969,146</u>	<u>-</u>	<u>358,504</u>	<u>19,796</u>	<u>1,347,446</u>
NET BOOK VALUE					
At 31 May 2023	<u>650,000</u>	<u>172,270</u>	<u>223,860</u>	<u>-</u>	<u>1,046,130</u>
At 31 May 2022	<u>650,000</u>	<u>-</u>	<u>255,036</u>	<u>1,248</u>	<u>906,284</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

5. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 May 2023 is represented by:

	Freehold property £	Fixtures & fittings £	Motor vehicles £	Totals £
Valuation in 2016	273,000	-	-	273,000
Cost	<u>1,346,146</u>	<u>551,225</u>	<u>19,796</u>	<u>1,917,167</u>
	<u>1,619,146</u>	<u>551,225</u>	<u>19,796</u>	<u>2,190,167</u>

If freehold property had not been revalued, it would have been included at the following historical cost:

	2023 £	2022 £
Cost	<u>1,346,146</u>	<u>1,346,146</u>
Aggregate depreciation	<u>969,146</u>	<u>969,146</u>
Value of land in freehold land and buildings	<u>377,000</u>	<u>377,000</u>

The company's freehold property was valued on the 23 September 2016 by an external valuer, Mr Andrew Clark BSc FRICS MCI Arb, of Clark Weightman Limited Chartered Surveyors and Commercial Property Consultants. The valuation has been based on the assumption that the property continues to be owner occupied for the purposes of the company's business, although the valuation also assumed that it would be redeveloped in the future with the market value being derived from comparable recent transactions for development land on an arms length basis. In the opinion of the directors, the current fair value of the property is not materially different.

6. STOCKS

	2023 £	2022 £
Goods for resale	<u>46,776</u>	<u>77,953</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/23	31/5/22
	£	£
Trade debtors	269,380	369,867
Other debtors	102,660	132,775
Prepayments and accrued income	233,943	2,989
	<u>605,983</u>	<u>505,631</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/23	31/5/22
	£	£
Other loans (see note 10)	-	449,375
Hire purchase contracts (see note 11)	-	1,540
Trade creditors	384,078	91,418
Deferred grants	16,256	16,256
Social security and other taxes	126,619	112,576
Other creditors	34,769	69,730
Accruals and deferred income	108,492	11,742
Accrued expenses	34,206	112,163
	<u>704,420</u>	<u>864,800</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/5/23	31/5/22
	£	£
Amounts owed to group undertakings	2,199,375	1,500,000
Deferred grants	27,092	43,348
	<u>2,226,467</u>	<u>1,543,348</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Other loans	-	449,375
Amounts falling due after one year:		
Other loans	2,199,375	1,500,000

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

11. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Net obligations repayable:		
Within one year	-	1,540
Between one and five years	-	-
	<u>-</u>	<u>1,540</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
20,649	Ordinary	£100	2,064,900	2,064,900
5,100	Ordinary	£50	255,000	255,000
1,600	Ordinary	£25	40,000	40,000
20,000	Ordinary	£1	20,000	20,000
			<u>2,379,900</u>	<u>2,379,900</u>

13. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 June 2022	(3,538,084)	273,000	(3,265,084)
Profit for the year	244,792		244,792
At 31 May 2023	<u>(3,293,292)</u>	<u>273,000</u>	<u>(3,020,292)</u>

14. CONTINGENT LIABILITIES

There are potential liabilities and assets in respect of the company's player trading. Due to the variable nature of these amounts, it is not possible to calculate the maximum potential liability or asset.

15. ULTIMATE PARENT COMPANY

1878 Partners Limited is regarded by the directors as being the company's ultimate parent company. Mr A J Pettit and Mr J Stockwood own 100% of the issued ordinary share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.