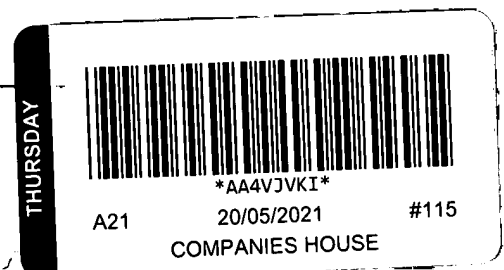


REGISTERED NUMBER: 01771361 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020
FOR
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**



**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020**

DIRECTORS:

P J Hodgkinson
M J Devlin
M Wright
J A Hough
D A Threlfall-Sykes
D Hoyle
D J Kirby

SECRETARY:

J A Hough

REGISTERED OFFICE:

The John Smith's Stadium
Stadium Way
Leeds Road
Huddersfield
West Yorkshire
HD1 6PX

REGISTERED NUMBER:

01771361 (England and Wales)

AUDITORS:

Revell Ward Limited
Chartered Accountants and Statutory Auditors
Bates Mill
Cölne Road
Huddersfield
HD1 3AG

BANKERS:

Lloyds Bank plc
1 Westgate
Huddersfield
HD1 2DN

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

The directors present their strategic report for the year ended 30 June 2020.

The company's principal activity is unchanged as a professional football club, together with related and ancillary activities. It is also a holding company.

REVIEW OF BUSINESS

During the 2019/20 financial year, the club competed in the EFL Championship, following relegation from the Premier League. We finished the season 18th in the EFL Championship, with a total of 51 points. The financial impact of relegation is of course cushioned by Premier League parachute payments, originally expected to total approximately £91m over the next 3 seasons. We will use these funds to assist in our squad transition, settle outstanding transfer fees and invest in our infrastructure, as well as being used for servicing of our existing debt. As a consequence of the impact of Covid on the 2019/20 season, we were advised by the Premier League that our parachute payments for that season would be £2.6m lower than originally notified.

Turnover was £52.7m (2019: £119.1m), mainly due to a drop in central distributions following relegation. Other commercial revenues such as retail, hospitality & advertising also fell as a result of relegation and were additionally impacted by COVID-19, with the club's final 4 matches of the season being played behind closed doors.

Football wages continue to be the largest expense for the Club. As highlighted in last year's annual report, football wages for the year ending 30 June 2020 were significantly lower as a consequence of contractual wage reductions, proactive management of the first team squad and an increased involvement of players from our Academy. Despite substantial investment in the squad on players such as Isaac Mbenza and Richard Stearman, overall employee costs were £30.3m (2019: £63.7m), with amortisation of player registrations also falling to £27.9m (2019: £31.9m).

Profit from the sale of player registrations was £18.1m (2019: £3.4m), driven by the key sales of Philip Billing, Tommy Smith and Aaron Mooy.

The above led to a loss before tax for the year of £8.2m (2019: £3.3m profit before tax).

The year-end net debt balance consisted of £34m (2019 - £45m) owing to Dean Hoyle and £23.6m (2019 - £31.7m) to other lenders, offset by cash balances of £10.6m (2019 - £13.8m). The Board's objective is to significantly reduce the balance owing to Dean Hoyle through a combination of player trading, operational cashflows and funding from the new controlling shareholder, Pure Sports Consultancy Limited.

Key Indicators	2020 Championship	2019 Premier League	Change	%
Final League Position	18th	20th	-	-
Average League Attendance	17,966	23,340	(5,374)	(23.0)
Turnover (£m)	52.7	119.1	(66.4)	(55.8)
Total Staff Costs (£m)	30.3	63.7	(33.4)	(52.4)
Total Staff Costs as % of Turnover	57.50%	53.48%	4.0%	7.5
Profit on Player Trading (£m)	18.1	3.4	14.7	432.4
Profit/(Loss) Before Tax (£m)	(8.2)	3.3	(11.5)	(348.5)

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

Board Changes

Prior to the start of the financial year, Dean Hoyle and I exchanged contracts for the sale of a 75% shareholding in the company to Pure Sports Consultancy Limited, an independent company owned and funded by me. Following completion of the takeover in July 2019, I joined the Board as Chairman with Dean becoming a Non-Executive Director, together with David Kirby Group Financial Director at PURE Business Group.

Chief Executive Julian Winter formally resigned and left the Board in December 2019. I was delighted that Mark Devlin joined as Chief Executive in January 2020. Mark brings a wealth of football experience to the Club, with a proven track record with clubs such as Brentford and Dundalk. Mark formally joined the Board in November 2020. Sean Jarvis resigned and left the Board in March 2020.

In October 2020, Darren Bryant retired from his full-time role as Finance Director, to become a Non-Executive Director of the Club. As part of a planned succession management process, Matt Wright was appointed as Finance Director. Matt also brings a wealth of football experience to the Club, having worked for the Football Association, Fulham FC and Blackpool FC. Matt was formally appointed to the Board in February 2021. Darren subsequently stepped down from the board on the 4th May 2021.

COVID-19

The global COVID pandemic has clearly had a serious negative impact on the Club. The final four matches were played behind closed doors, this not only had an impact on gate receipts but also on matchday spend such as retail, hospitality, and catering. The financial impact of the COVID pandemic will be significantly greater in the 2020/21 accounts.

Going Concern

In assessing the Club's going concern status, the Board of Director's have prepared cash flow forecasts up to the end of the 2021/22 financial year, considering several scenarios reflecting the potential impact of COVID. Under these scenarios, based on the cash flow forecasts, expected player trading and the availability of external funding when required, the Director's have concluded it is appropriate to prepare the financial statements on the going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk or uncertainty and potential impact	How we mitigate
Football	
Relegation arising from poor on-field performance is the principal business risk.	The Club's resources are focused on putting the best team possible on the field of play. This includes managing the player wages model, team preparation and training ground facilities.
This can be the product of the performance of players, football management, football operations (including player recruitment), performance services and the Board.	The Board and senior football staff are jointly responsible for making key decisions regarding players, staff, facilities, and performance services. Regular meetings take place to ensure we deliver the best team possible against an agreed football strategy.
Relegation can also fundamentally change the player recruitment strategy, as well as player and staff retention and this is likely to impact on-field performance.	Ongoing improvements and investment in the football operations department act to mitigate this risk. First team contracts include significant contractual reductions in weekly wages on relegation.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

People contracting risks	
<p>Relating to players:</p> <ul style="list-style-type: none"> - Player recruitment due diligence - Contract terms - Resourcing - Player trading - Injury <p>Relating to key staff:</p> <ul style="list-style-type: none"> - Football management & suitability - Establishing & maintaining a clear system of play - Player development - Adding value 	<p>The Board ensures that robust processes are in place and are maintained by senior football staff. A clear criterion is in place for the type of management and coaching staff the Club requires now and in the future.</p> <p>The Club has in place a clear playing style and recruitment methodology. The Board is continually reviewing and improving its scouting operation and the modern innovations supporting its player identification process. Shareholder approval is required for all player contracts and terms.</p>
Business	
If the Group's products, services and pricing do not remain competitive and value for money there is a risk of losing supporters and corporate clients affecting financial performance and viability.	The Board communicates openly with its fans and customers through various media. The Club has been proactive in maintaining affordable ticket prices to build the fan and customer base for the future benefit of the Club.
Operations	
The separation of the operational aspects of the stadium and match-day delivery through KSDL provides operational risk with the Club's fans and corporate customers. The Club has limited control over the match day experience affecting supporter retention, exposing the Club to the financial risk of losing supporters with the associated financial impact.	Two HTAFC directors are directors of KSDL and have both influence and voting rights to ensure match-days are managed accordingly. The Club is also involved at Events and Commercial panels that contribute to managing the stadium operationally through a documented collaboration agreement.
Community	
Failure to take ownership of the Club's community identity and social responsibility programmes.	Directors of the company are also Trustees on the Town Foundation along with other independent trustees
Club	
Financial Fair Play risk leading to non-compliance with the EFL/Premier League exposes the Club to the risk of fines or transfer embargoes.	The Board and Finance team are supported by our auditors on an ongoing basis and liaise with the EFL/Premier League closely to ensure compliance.
Non-compliance with the applicable legislation and football regulations covering: player contract administration; betting; agents; match fixing; and behaviour would expose the Club to reputational damage, penalty points and/or financial penalties.	The company has a player code of conduct in place.
Ownership risk due to the Club's reliance on shareholder funding to provide debt and equity	The company, its auditors and the EFL/Premier League obtain annual commitments of funding

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 required Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have the highest regard to the interest of the Club's employees, supporters, commercial partners, and other stakeholders in the wider community.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

Club Employees

To ensure employee views are heard and understood we also continue to run regular all-staff meetings and our annual online staff survey. Employee wellbeing is a priority for the club and our emphasis on this has only increased during the COVID crisis. To support employee mental health, the Club signed up to the Mindful Employee Charter in March 2020 and have offered online mindfulness training to all employees. Even though currently a Championship Club, we have achieved the Premier League Equality Standard, have run online equality training, and supported several employee initiatives including for Black History month, LGBTQ+ History month and International Women's Day. We are also recognised as a Disability Confident employer.

Supporter Engagement

The Club has a long-standing commitment to a formal consultative process with its supporters.

Through the 'All Together Town' panel, a minimum of four formal meetings are held a year - over and above the mandated two - with broader issues sent to the wider fanbase where necessary. These meetings cover important topics such as - but not limited to - match day experience, ticketing, Club strategy and catering. In addition to this formal process, the Club regularly holds meetings with organised supporter groups and individual fans on an ad-hoc basis where required.

The Club also conducts a thorough annual survey of its entire Season Card database, covering a wide variety of topics.

Commercial Relationships

As a club we have continued to support and engage with our supporters and business partners through the effects of the COVID-19 pandemic. We offered cash refunds for the games which were forced to be held behind closed doors on a pro rata basis to season card holders, hospitality members and advertisers as well as credits to be used against future purchases with the club.

We continue to engage with all commercial stakeholders through phone and weekly email communications to check on the wellbeing of them and their businesses throughout the COVID period to further reinforce our commitment to them as stakeholders of our club.

Community

The Huddersfield Town Foundation is the Club's Official Charity Partner, a formal decision made in January 2020 and undertakes to engage widely across the general communities of Kirklees and Calderdale as well as the HTAFC fan base to deliver a broad range of programmes and initiatives. The Foundation continues to grow and now turns over £1m, a feat achieved in less than 7 years of operation. During the recent season, the Club and the Foundation have worked to specifically address the inequalities in the community which have been further highlighted by the impact of the COVID-19 pandemic. The Club and the Foundation have a strong working relationship with cross over of Club Directors and the Club Chairman onto the Foundation Board of Trustees and an annual SLA in place which sees the Club provide in-kind support to ensure the Foundation's funding has greater impact on the front line.

The Foundation work to support the growth of the club fan base, support the Academy with learning and social action opportunities, utilise match days to raise awareness around local issues of the Foodbanks as well as offering health initiatives specifically targeted at HTAFC fans such as weight management and Sporting Memories. The Club facilitate several of the Foundation's fundraising efforts through Foundation take over games and the sale / donations from key products sold in the club merchandise channels. Player visits are undertaken to broaden both the reach and reputation of both the Foundation and HTAFC.

The Foundation supports the Club's work in the field of Equality, Diversity and Inclusion and played a key role in the achievement of the Premier League Intermediate Equality Standard and is a prominent asset on the ground promoting both the Foundation and the Club.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

POST BALANCE SHEET EVENTS

Since the year end, the club has acquired and disposed of a number of player registrations. The net income from these transactions is £24.9m.

PROSPECTS FOR 2020/21

The club is currently participating in its second season back in the EFL Championship and along with all football clubs, and indeed the wider world, is having to face the ongoing challenges of the COVID-19 global pandemic.

As mentioned earlier in these accounts, the impact of Covid-19 will be even more strongly felt in 2020-21, with ongoing restrictions and uncertainty having a significant negative impact on our operations and limiting our ability to generate commercial revenues, particularly on matchdays. The Club has produced detailed cash flow forecasts that extend to the end of the 2021/22 financial year. These take into account various possible scenarios to reflect the inherent uncertainty and resulting commercial and financial impact caused by the pandemic.

Football wages will decrease as legacy Premier League contracts continue to expire, and as our Academy continues to develop talent for the first team. As at February 2021, several academy players, including Kieran Phillips, Brahim Diarra, Ben Jackson, Romney Crichton, Patrick Jones and Etienne Camara have made their debuts for the first team.

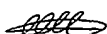
In July 2020, we took the decision to part company with Manager Danny Cowley and Assistant Manager Nicky Cowley. We were collectively very grateful for their hard work towards securing our Sky Bet Championship status, but also believed that this decision was the right one for the long-term interests of the Club.

Later in the same month, we appointed Carlos Corberán as the Club's new Head Coach ahead of the 2020/21 season. Carlos has a clear vision for the team that echoes the Board's, and the work he has put in since his appointment affirms our belief in that decision.

Once we have put COVID-19 behind us, I am excited to welcome our fantastic fans back into the stadium and to see the Club continue to win games and make progress.

The Board of Directors would like to place on record its thanks to all the players, management, staff, supporters, partners and stakeholders as we continue to progress.

ON BEHALF OF THE BOARD:



.....
P J Hodgkinson - Director

Date: 17/05/2021
.....

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2020**

The directors present their report with the financial statements of the company for the year ended 30 June 2020.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2020.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2019 to the date of this report.

D Hoyle
J A Hough

Other changes in directors holding office are as follows:

P J Hodgkinson - appointed 3 July 2019
D J Kirby - appointed 3 July 2019
D A Threlfall-Sykes - appointed 9 October 2019
J Winter - resigned 14 December 2019
S Jarvis - resigned 25 March 2020

M J Devlin and M Wright were appointed as directors after 30 June 2020 but prior to the date of this report.

D Bryant ceased to be a director after 30 June 2020 but prior to the date of this report.

During the year, the company had insurance cover for liabilities incurred by its directors in carrying out their duties.

EMPLOYEE INVOLVEMENT

The company places considerable value on involving its employees in the evolution of the company, its policies and procedures. The participation of employees in contributing to the growth and development of the company is encouraged through meetings between management and staff and other regular communications.

DISABLED PERSONS

Applications for employment by disabled persons are always fully considered, bearing in mind the respective, knowledge, skills, attributes, aptitudes and abilities of the applicant concerned.

In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

DISCLOSURE IN THE STRATEGIC REPORT

The following information is not shown in the Report of the Directors as it is shown in the Strategic Report in accordance with S414C(11) of the Companies Act 2006:

- an indication of likely future developments in the business of the company.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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. They 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.

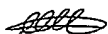
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Revell Ward Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
P J Hodgkinson - Director

17/05/2021

Date:

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

Opinion

We have audited the financial statements of The Huddersfield Town Association Football Club Limited (the 'company') for the year ended 30 June 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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, 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 the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, 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; 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 Statement of Directors' Responsibilities set out on page eight, 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 determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Karen Borowski (Senior Statutory Auditor)
for and on behalf of Revell Ward Limited
Chartered Accountants and Statutory Auditors
Bates Mill
Colne Road
Huddersfield
HD1 3AG

Date: 17/05/2021

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	30.6.20 £	30.6.19 £
TURNOVER	3	52,737,195	119,135,868
Cost of sales		<u>72,931,851</u>	<u>112,191,001</u>
GROSS (LOSS)/PROFIT		(20,194,656)	6,944,867
Administrative expenses		<u>8,757,028</u>	<u>8,554,839</u>
		(28,951,684)	(1,609,972)
Other operating income	4	<u>6,250,373</u>	<u>2,833,382</u>
OPERATING (LOSS)/PROFIT	6	(22,701,311)	1,223,410
Profit on sale of players' registrations	7	<u>18,078,627</u>	<u>3,386,537</u>
		(4,622,684)	4,609,947
Interest receivable and similar income		<u>730,780</u>	<u>451,614</u>
		(3,891,904)	5,061,561
Interest payable and similar expenses	8	<u>4,329,973</u>	<u>1,735,063</u>
(LOSS)/PROFIT BEFORE TAXATION		(8,221,877)	3,326,498
Tax on (loss)/profit	9	<u>-</u>	<u>474,342</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(8,221,877)	2,852,156
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>-(8,221,877)</u></u>	<u><u>2,852,156</u></u>

The notes form part of these financial statements

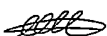
**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**BALANCE SHEET
30 JUNE 2020**

	Notes	30.6.20 £	£	30.6.19 £	£
FIXED ASSETS					
Intangible assets	10		25,746,829		49,850,559
Tangible assets	11		12,466,269		11,470,975
Investments	12		<u>106,691</u>		<u>46,689</u>
			38,319,789		61,368,223
CURRENT ASSETS					
Stocks	13	223,589		297,558	
Debtors: amounts falling due within one year	14	9,092,448		36,223,918	
Debtors: amounts falling due after more than one year	14	6,734,464		1,990,846	
Cash at bank and in hand		<u>10,600,850</u>		<u>13,756,081</u>	
		26,651,351		52,268,403	
CREDITORS					
Amounts falling due within one year	15	<u>64,608,727</u>		<u>101,074,485</u>	
NET CURRENT LIABILITIES			<u>(37,957,376)</u>		<u>(48,806,082)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			362,413		12,562,141
CREDITORS					
Amounts falling due after more than one year	16		<u>27,256,864</u>		<u>37,813,440</u>
NET LIABILITIES			<u>(26,894,451)</u>		<u>(25,251,299)</u>
CAPITAL AND RESERVES					
Called up share capital	19		7,125,000		7,125,000
Share premium	20		375,000		375,000
Other reserves	20		6,578,725		-
Retained earnings	20		<u>(40,973,176)</u>		<u>(32,751,299)</u>
SHAREHOLDERS' FUNDS			<u>(26,894,451)</u>		<u>(25,251,299)</u>

17/05/2021

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



.....
P J Hodgkinson - Director

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 July 2018	7,125,000	(35,603,455)	375,000	-	(28,103,455)
Changes in equity					
Total comprehensive income	-	2,852,156	-	-	2,852,156
Balance at 30 June 2019	7,125,000	(32,751,299)	375,000	-	(25,251,299)
Changes in equity					
Total comprehensive income	-	(8,221,877)	-	-	(8,221,877)
Other changes	-	-	-	6,578,725	6,578,725
Balance at 30 June 2020	7,125,000	(40,973,176)	375,000	6,578,725	(26,894,451)

The notes form part of these financial statements

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. STATEMENT OF COMPLIANCE

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" and the Companies Act 2006.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The company is reliant on the support of Phil Hodgkinson, through his 100% ownership of Pure Sports Consultancy Limited, the 75% majority shareholder of the company. The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash inflows. The directors have prepared projected cash flow information for the period ending 12 months from the date of signature on the Balance Sheet. The projected cash flows have been sensitised to take into consideration variants on the impact of the Covid-19 pandemic and the return to live crowds. A number of other sensitivities have been applied and the board have reviewed the various scenarios and have approved the forecasts. Phil Hodgkinson has indicated that he intends to continue to support the company by introducing funds where required. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.41, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about The Huddersfield Town Association Football Club Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Pure Sports Consultancy Limited, Fourth Floor Building 8, Princess Parade, Liverpool, Merseyside, England, L3 1DL.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

The profit on sale of players' registrations can have a material impact on the company's financial statements each year. These are disclosed separately on the face of the Statement of Comprehensive Income to provide further understanding of the financial performance of the company.

Key accounting estimates and assumptions

Accounting estimates, by definition, will often vary from the actual results. They 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. The nature of the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. The carrying amount of the estimates and assumptions at the year end are disclosed in the relevant note to the accounts.

Useful economic lives of intangible and tangible assets

The annual amortisation or depreciation charge for intangible and tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets, which are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the ageing profile and recent correspondence with the debtors and historical experience.

Long term credit arrangements

The effective interest method is used to measure long term credit arrangements. The financial asset or liability is measured at the present value of future payments discounted at an estimate of a market rate of interest based on the rates paid on other similar debt instruments.

Deferred taxation

The company has significant tax losses available to carry forward against future trading profits. A deferred tax asset has not been recognised in the current year based on forecasts for the coming year.

Termination benefits

Termination benefits are recognised when the company has committed to providing them to employees. They are measured at the best estimate required to settle the obligation at the reporting date.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Matchday and associated income is recognised in line with games played. TV & League income is recognised in the accounting period that includes the football season to which the income relates. Commercial income is recognised in line with contracted terms. Retail income is recognised at the point of sale to the customer. Lotteries income is recognised in line with the related prize draws.

Players' registrations

The costs associated with the acquisition of players' registrations or extending their contracts, including agents' fees, are capitalised as intangible fixed assets. These costs are amortised in equal annual instalments over the period of the respective players' contracts and charged to cost of sales expenses in the Statement of Comprehensive Income. Where a contract life is renegotiated the unamortised costs, together with the new costs relating to the contract extension, are amortised over the new contract period. Players' registrations are written down for impairment, for example, following a career threatening injury, when the carrying amount exceeds the amount recoverable through use or sale.

Under the conditions of certain transfer agreements, further fees will be payable in the event of the players concerned making a certain number of First Team appearances or on the occurrence of certain other specified events. Liabilities in respect of these additional fees are accounted for when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold property	- over lease term and 10% on cost
Short leasehold	- over lease term
Trophies	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 20% on cost

Government grants

Government grants received are applied using the accrual model where they are compensation for expenses already incurred or for the purpose of giving immediate financial support with no future related costs. All such grants are recognised in income in the period in which they become receivable.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks are valued using the first-in, first-out (FIFO) method.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

Short term debtors are measured at transaction price, less any impairment.

Short term creditors are measured at the transaction price.

Other financial assets and liabilities, including loans and long term credit arrangements, are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leasing commitments

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

Rental income received under operating leases is credited to income on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Signing on fees

Signing on fees are taken, as part of cost of sales, to the profit and loss account in the year in which they are incurred. Where a player's registration is transferred, any signing on fees payable in respect of future periods is charged against the profit or loss on disposals of the player's registration in the period in which the disposal is recognised.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

General information

The company is a private company limited by shares and is incorporated in England and Wales, company registration number 01771361. The address of its principal place of business is The John Smith's Stadium, Stadium Way, Leeds Road, Huddersfield, West Yorkshire, HD1 6PX.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

3. TURNOVER

The turnover and loss (2019 - profit) before taxation are attributable to the principal activities of the company.

An analysis of turnover by class of business is given below:

	30.6.20	30.6.19
	£	£
Matchday	4,066,178	4,986,736
TV & League	44,677,934	104,306,720
Commercial	2,399,483	7,664,827
Communications	115,529	156,222
Retail	1,064,145	1,521,157
Lotteries	413,926	500,206
	<u>52,737,195</u>	<u>119,135,868</u>

4. OTHER OPERATING INCOME

	30.6.20	30.6.19
	£	£
Academy grants and sponsorship	200,863	205,027
Loan player income	5,687,552	2,628,355
Government grants	361,958	-
	<u>6,250,373</u>	<u>2,833,382</u>

Government grants relate to amounts receivable in the year in respect of the Coronavirus Job Retention Scheme.

5. EMPLOYEES AND DIRECTORS

	30.6.20	30.6.19
	£	£
Wages and salaries	26,476,800	55,534,051
Social security costs	3,530,477	8,002,333
Other pension costs	246,433	132,348
	<u>30,253,710</u>	<u>63,668,732</u>

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

	30.6.20	30.6.19
Players	77	75
Staff	<u>176</u>	<u>201</u>
	<u>253</u>	<u>276</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

5. EMPLOYEES AND DIRECTORS - continued

	30.6.20	30.6.19
	£	£
Directors' remuneration	570,515	770,875
Directors' pension contributions to money purchase schemes	<u>14,716</u>	<u>15,530</u>

The number of directors to whom retirement benefits were accruing was as follows:

	4	3
Money purchase schemes	<u>4</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	30.6.20	30.6.19
	£	£
Emoluments etc	187,800	301,695
Pension contributions to money purchase schemes	<u>-</u>	<u>9,272</u>

6. OPERATING (LOSS)/PROFIT

The operating loss (2019 - operating profit) is stated after charging:

	30.6.20	30.6.19
	£	£
Stadium & shop rent	1,094,805	1,388,309
Depreciation - owned assets	1,724,138	1,423,750
Players' registrations amortisation	27,980,125	31,862,399
Auditors' remuneration	32,300	33,175
Taxation compliance services	8,725	13,475
Other assurance services	9,000	13,000
Other non- audit services	8,900	15,750
Impairment losses on player registrations	6,214,963	680,874
Bad debt expense	<u>44,099</u>	<u>1,269,856</u>

7. EXCEPTIONAL ITEMS

The profit on players' registrations includes profits of £18,120,281 (2019 - £3,652,904) and losses of £41,654 (2019 - £266,367).

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.6.20	30.6.19
	£	£
Loan interest	3,600,754	437,659
Interest on player purchases	<u>729,219</u>	<u>1,297,404</u>
	<u>4,329,973</u>	<u>1,735,063</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

9. TAXATION

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	30.6.20 £	30.6.19 £
Current tax:		
Adjustment for prior years	-	(10,658)
Deferred tax	-	485,000
Tax on (loss)/profit	-	474,342

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.20 £	30.6.19 £
(Loss)/profit before tax	<u>(8,221,877)</u>	<u>3,326,498</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(1,562,157)	632,035
Effects of:		
Expenses not deductible for tax purposes	471,139	315,461
Depreciation in excess of capital allowances	9,887	11,845
Other timing differences leading to a decrease in tax	49,394	(6,840)
Adjustments to tax charge in respect of previous periods	-	(10,658)
Group relief	-	(162,729)
Tax losses utilised/carried forward	<u>1,031,737</u>	<u>(304,772)</u>
Total tax charge	-	474,342

The company has losses of approximately £64m (2019 - £59m) available to carry forward against future trading profits. A deferred tax asset of £11.3m (2019 - £10.1m) has not been recognised in either year on these losses based on a prudent forecast of profits for the coming year and given the potential volatility of future financial performance based on the on field results.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

10. INTANGIBLE FIXED ASSETS

	Goodwill £	Players' registrations £	Totals £
COST			
At 1 July 2019	2,375,640	88,097,249	90,472,889
Additions	-	14,093,542	14,093,542
Disposals	-	(15,651,958)	(15,651,958)
At 30 June 2020	<u>2,375,640</u>	<u>86,538,833</u>	<u>88,914,473</u>
AMORTISATION			
At 1 July 2019	2,375,640	38,246,690	40,622,330
Amortisation for year	-	27,980,125	27,980,125
Eliminated on disposal	-	(11,649,774)	(11,649,774)
Impairments	-	6,214,963	6,214,963
At 30 June 2020	<u>2,375,640</u>	<u>60,792,004</u>	<u>63,167,644</u>
NET BOOK VALUE			
At 30 June 2020	<u>-</u>	<u>25,746,829</u>	<u>25,746,829</u>
At 30 June 2019	<u>-</u>	<u>49,850,559</u>	<u>49,850,559</u>

The impairment of players' registrations relates to the termination of certain players' contracts following the year end.

11. TANGIBLE FIXED ASSETS

	Leasehold property £	Short leasehold £	Trophies £
COST			
At 1 July 2019	12,665,979	650,000	306,190
Additions	<u>2,666,355</u>	-	-
At 30 June 2020	<u>15,332,334</u>	<u>650,000</u>	<u>306,190</u>
DEPRECIATION			
At 1 July 2019	2,824,050	343,057	303,700
Charge for year	<u>1,290,170</u>	<u>21,667</u>	<u>830</u>
At 30 June 2020	<u>4,114,220</u>	<u>364,724</u>	<u>304,530</u>
NET BOOK VALUE			
At 30 June 2020	<u>11,218,114</u>	<u>285,276</u>	<u>1,660</u>
At 30 June 2019	<u>9,841,929</u>	<u>306,943</u>	<u>2,490</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

11. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2019	25,950	2,343,980	15,992,099
Additions	-	53,077	2,719,432
At 30 June 2020	25,950	2,397,057	18,711,531
DEPRECIATION			
At 1 July 2019	16,648	1,033,669	4,521,124
Charge for year	2,938	408,533	1,724,138
At 30 June 2020	19,586	1,442,202	6,245,262
NET BOOK VALUE			
At 30 June 2020	6,364	954,855	12,466,269
At 30 June 2019	9,302	1,310,311	11,470,975

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Interest in joint venture £	Unlisted investments £	Totals £
COST				
At 1 July 2019	46,686	1	2	46,689
Additions	2	60,000	-	60,002
At 30 June 2020	46,688	60,001	2	106,691
NET BOOK VALUE				
At 30 June 2020	46,688	60,001	2	106,691
At 30 June 2019	46,686	1	2	46,689

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

12. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Huddersfield Canalside Limited

Registered office: The John Smith's Stadium, Stadium Way, Leeds Road, Huddersfield, HD1 6PX

Nature of business: Training facility

	%
Class of shares:	holding
A Ordinary	100.00
B Ordinary	100.00

The company also holds 75,000 preference shares of £1 each.

The shareholding in A Ordinary and B Ordinary shares represents 100% of voting rights.

Joint venture

Kirklees Stadium Development Limited

Registered office: The John Smith's Stadium, Stadium Way, Leeds Road, Huddersfield, HD1 6PX

Nature of business: Running of a sports stadium

	%
Class of shares:	holding
Ordinary	40.00

13. STOCKS

	30.6.20	30.6.19
	£	£
Finished goods	<u>223,589</u>	<u>297,558</u>

Finished goods are stated after provisions for impairment of £161,503 (2019 - £298,191).

14. DEBTORS

	30.6.20	30.6.19
	£	£
Amounts falling due within one year:		
Trade debtors	8,426,535	31,370,934
Amounts owed by group undertakings	134,597	-
Other debtors	175,142	95,768
Prepayments and accrued income	<u>356,174</u>	<u>4,757,216</u>
	<u>9,092,448</u>	<u>36,223,918</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

14. DEBTORS - continued

	30.6.20	30.6.19
	£	£
Amounts falling due after more than one year:		
Trade debtors	<u>6,734,464</u>	<u>1,990,846</u>
Aggregate amounts	<u>15,826,912</u>	<u>38,214,764</u>

Trade debtors are stated after provisions for impairment of £267,445 (2019 - £708,471).

Amounts owed by group undertakings are stated after provisions for impairment of £2,117,990 (2019 - £2,117,990).

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.6.19
	£	£
Bank loans and overdrafts (see note 17)	27,038,000	-
Other loans (see note 17)	4,640,383	45,535,611
Trade creditors	8,315,021	21,093,352
Tax	23,559	-
Social security and other taxes	6,210,756	7,015,504
Other creditors	37,917	73,815
Accruals and deferred income	17,081,737	24,398,009
Deferred season ticket income	<u>1,261,354</u>	<u>2,958,194</u>
	<u>64,608,727</u>	<u>101,074,485</u>

Accruals and deferred income include amounts totalling £1,017,460 (2019 - £809,878) relating to termination benefits.

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

	30.6.20	30.6.19
	£	£
Bank loans (see note 17)	-	31,000,000
Other loans (see note 17)	25,888,353	121,741
Trade creditors	578,511	6,691,699
Other creditors	<u>790,000</u>	-
	<u>27,256,864</u>	<u>37,813,440</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

17. LOANS

An analysis of the maturity of loans is given below:

	30.6.20 £	30.6.19 £
Amounts falling due within one year or on demand:		
Bank loans	27,038,000	-
Other loans	<u>4,640,383</u>	<u>45,535,611</u>
	<u>31,678,383</u>	<u>45,535,611</u>
Amounts falling due between one and two years:		
Bank loans	-	31,000,000
Other loans	<u>9,681,847</u>	<u>49,124</u>
	<u>9,681,847</u>	<u>31,049,124</u>
Amounts falling due between two and five years:		
Other loans	<u>12,789,331</u>	<u>72,617</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans	<u>3,417,175</u>	<u>-</u>

Included within bank loans falling due within one year is £27m (2019 - £31m due between one and two years). The right to the central funds distribution for the 2020/21 season have been assigned to the creditor for repayment of the loan.

At the 2019 year end there was £45m of other loans due to directors with no set repayment date which were classified as due on demand. During the financial year a formal agreement for the repayment was put in place and is reflected in the ageing of the loans above. The loan has started to be repaid during the current year and no interest is to be charged on the loan, therefore this has been discounted as a financing transaction at 5.5%. The final repayments of the loans are conditional on events within the company. At the 2020 year end £34m of these loans were still outstanding and following the year end the repayment of these have been restructured as detailed in note 27.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.20	30.6.19
	£	£
Within one year	262,500	2,297
Between one and five years	1,187,978	-
In more than five years	<u>5,322,315</u>	<u>-</u>
	<u>6,772,793</u>	<u>2,297</u>

The company had an annual commitment under a non-cancellable operating lease in respect of the stadium that expires in May 2143. The annual commitment is calculated by reference to the number of spectators at matches and similarly of the other tenant. The amount paid during the year was £1,062,095 (2019 - £1,320,499).

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.20	30.6.19
			£	£
69,166,667	Ordinary	10p	6,916,667	6,916,667
4,166,666	Ordinary	5p	<u>208,333</u>	<u>208,333</u>
			<u>7,125,000</u>	<u>7,125,000</u>

There are two classes of ordinary shares which hold equal rights. There are no restrictions on the distribution of dividends or the repayment of capital.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

20. RESERVES

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 July 2019	(32,751,299)	375,000	-	(32,376,299)
Deficit for the year	(8,221,877)	-	-	(8,221,877)
Other changes	-	-	6,578,725	6,578,725
At 30 June 2020	<u>(40,973,176)</u>	<u>375,000</u>	<u>6,578,725</u>	<u>(34,019,451)</u>

Retained earnings - includes all current and prior period retained profits and losses.

Share premium - includes any premiums received on issue of share capital.

Other reserves - the present value of director's loans is calculated using an effective interest rate. The difference between the present value of the creditor and the amount ultimately repayable is treated as a capital contribution in equity and is included within other reserves.

Other changes in the period relate to a formal repayment agreement being agreed during the period and the loan being discounted to present value.

21. PENSION COMMITMENTS

Included within other creditors are pension costs of £35,549 (2019 - £71,158) which are outstanding at the period end.

22. ULTIMATE PARENT COMPANY

Pure Sports Consultancy Limited is regarded by the directors as being the company's ultimate parent company.

Pure Sports Consultancy Limited prepares consolidated financial statements and copies can be obtained from Companies House. The address of the parent's registered office is Fourth Floor Building 8, Princes Parade, Liverpool, Merseyside, England, L3 1DL.

23. CONTINGENT LIABILITIES

Under the terms of certain contracts for the purchase of players' registrations future payments may be due, dependent on the future success of the team and the future team selection of individual players. As of 30 June 2020 the maximum that could be payable is £0.74m (2019 - £4.30m).

Under the terms of certain player contracts future agent fees may be due if the player is still registered with the Club. As of 30 June 2020 the maximum that could be payable is £0.75m (2019 - £1.4m).

In addition to this future payments may be due relating to sell on clauses to previous clubs dependent on the sale price achieved.

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

24. CAPITAL COMMITMENTS

	30.6.20	30.6.19
	£	£
Contracted but not provided for in the financial statements	<u>85,000</u>	<u>534,327</u>

25. OTHER FINANCIAL COMMITMENTS

At the period end the company was committed to acquiring player registrations amounting to £Nil (2019 - £11.4m).

26. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Entities over which the entity has control, joint control or significant influence

	30.6.20	30.6.19
	£	£
Sales to related parties	10,190	14,923
Recharges to related parties	-	498,654
Purchases from related parties	1,054,182	1,339,188
Recharges from related parties	351,532	681,302
Interest paid to related parties	4,625	6,217
Loan capital repaid to related parties	34,790	76,315
Amount due from related party	-	2,118,496
Amount due to related party	138,909	188,738
Provisions for uncollectible receivables relating to amount of outstanding balances	<u>-</u>	<u>2,117,990</u>

Key management personnel of the entity or its parent (in the aggregate)

	30.6.20	30.6.19
	£	£
Sales to related parties	16,500	-
Loans received from related party	-	12,000,000
Loans repaid to related party	11,000,000	16,404,343
Amount due to related party	<u>34,000,000</u>	<u>45,000,000</u>

**THE HUDDERSFIELD TOWN ASSOCIATION
FOOTBALL CLUB LIMITED (REGISTERED NUMBER: 01771361)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

26. RELATED PARTY DISCLOSURES - continued

Other related parties

	30.6.20	30.6.19
	£	£
Sales to related parties	138,000	-
Recharges to related parties	530,472	552,287
Purchases from related parties	185,991	-
Repayments received from related parties	703,846	536,095
Repayments made to related parties	122,491	-
Amount due from related parties	80,678	61,976
Amount due to related parties	<u>62,500</u>	<u>-</u>

27. POST BALANCE SHEET EVENTS

The arrangement put in place for the repayment of £34m of directors loans was restructured after the year end:

- £4m is repayable by 28 February 2022;
- £7m is repayable by 28 February 2023;
- £7m is repayable by 28 February 2024;
- £6m is repayable by 28 February 2025; and
- Final amounts of £4.5m and £5.5m are repayable on certain trigger events occurring

Following the year end, the Club acquired the player registrations of Pipa, Naby Sarr, Danny Ward, Rolando Aarons, Danny Grant, Jayson Leutwiler, Sorba Thomas, Richard Keogh, Duane Holmes, Alex Vallejo and Yaya Sanogo.

The Club has disposed of the player registrations of Joel Coleman, Florent Hadergjonaj, Karlan Grant, Ramadan Sobhi, Elias Kachunga, Steve Mounie, Terence Kongolo, Colin Quaner, Jon Stankovic, Herbert Bockhorn, Adama Diakhaby, Ben Hamer and Danny Simpson.

28. ULTIMATE CONTROLLING PARTY

The controlling party is P J Hodgkinson.